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YEAR-END REPORT OF THE 99TH CONGRESS

SUBMITTED BY

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II

CONTENTS

Page
Floor Statement of Senator Robert J. Dole 1
Committee Reports:
  Agriculture, Nutrition, and Forestry 5
  Appropriations 46
  Armed Services 55
  Banking, Housing, and Urban Affairs 70
  Committee on the Budget 154
  Commerce, Science, and Transportation 111
  Energy and Natural Resources 217
  Environment and Public Works 260
  Finance 325
  Foreign Relations/Treaties 307
  Governmental Affairs 335
  Judiciary 354
  Labor and Human Resources 399
  Rules and Administration 438
  Small Business 462
  Veterans' Affairs 497
  Select Committee on Indian Affairs 561

99TH CONGRESS
FIRST AND SECOND SESSION REPORT

WHEN HISTORIANS EVALUATE THE 99TH CONGRESS, I AM CONFIDENT THEY WILL CONFIRM THAT 1985 AND 1986 WERE TWO OF THE MOST PRODUCTIVE LEGISLATIVE YEARS IN POST-WORLD WAR II HISTORY. THE 99TH CONGRESS LEFT AS ITS LEGACY A RECORD OF UNUSUAL ACCOMPLISHMENT.

FOR DURING THAT TIME, WE TOOK FINAL ACTION ON ISSUES THAT HAVE BEEN DEBATED AND REDEBATED, VOTED ON AND AVOIDED BY CONGRESS AFTER CONGRESS. THE GENOCIDE TREATY IS A STERLING EXAMPLE. BEFORE THE SENATE FOR 37 YEARS, FINALLY, IN EARLY 1986 THE TREATY WAS RATIFIED BY 83-11 VOTE.

CONGRESS APPROVED LONG-STALLED ENVIRONMENTAL LEGISLATION, A MUCH NEEDED OVERHAUL OF U.S. IMMIGRATION POLICY, AN HISTORIC TAX REFORM BILL AND THE LIST GOES ON.

ACHIEVING ALL THIS WAS NOT EASY. HERE IN THE SENATE, THE RAZOR-THIN MARGIN BETWEEN THE TWO PARTIES, AND AN ELECTION THAT WOULD DECIDE WHICH PARTY WOULD CONTROL THE BODY IN THE OFFING ONLY INCREASED THE DIFFICULTY IN ADDRESSING ISSUES THAT WOULD HAVE BEEN DIFFICULT TO ADDRESS UNDER ANY CIRCUMSTANCES.

BUT THE SENATE TACKLED THE PROBLEMS -- AND MORE OFTEN THAN NOT ULTIMATELY CAME UP WITH SOLUTIONS -- SOLUTIONS THAT HUGGED THE MIDDLE GROUND -- ANSWERS THAT CONFORMED TO THE VIEWS OF A MAJORITY OF AMERICANS.

NOT EVERY POLICY DILEMMA WAS RESOLVED. AND SOME OF OUR ANSWERS WERE LESS THAN COMPLETE. BUT JUST RUNNING DOWN THE LIST OF LEGISLATION CONGRESS HAS PASSED OVER THE PAST FOUR YEARS SHOWS HOW FAR WE HAVE COME.

IN THE ECONOMIC AREA, WE PASSED A MASSIVE OVERHAUL OF THE TAX CODE -- A MEASURE WITH FAR-REACHING CONSEQUENCES FOR EVERY SEGMENT OF SOCIETY AND BUSINESS FOR YEARS TO COME. WE AGREED TO SELF-IMPOSED BUDGETARY DISCIPLINE WITH THE GRAMM-RUDMAN-HOLLINGS LAW. AND BOTH LAST YEAR AND THIS, WE ENACTED BASIC REFORMS IN SPENDING PROGRAMS UNDER RECONCILIATION -- REFORMS THAT WILL REDUCE REAL SPENDING FOR YEARS TO COME.

WE APPROVED AN OMNIBUS FARM BILL, AND FARM CREDIT LEGISLATION -- BOTH OF WHICH THOUGH PERHAPS IMPERFECT -- DID GO A LONG WAY TOWARD A MUCH NEEDED REORGANIZATION OF THE NATION'S FEDERAL FARM PROGRAMS.

IN THE FOREIGN AFFAIRS ARENA, WE AGREED TO PROVIDE AID TO THE CONTRA FREEDOM FIGHTERS IN NICARAGUA, IMPOSED ECONOMIC SANCTIONS ON SOUTH AFRICA, GAVE ADDITIONAL AID TO THE PHILIPPINES AND RATIFIED THE GENOCIDE TREATY.

WE CONTINUED THE PROCESS OF MODERNIZING THE MILITARY BY PROVIDING FUNDS FOR THE DEVELOPMENT AND PROCUREMENT OF ESSENTIAL WEAPONS SYSTEMS LIKE THE MX MISSILE AND THE STRATEGIC DEFENSE INITIATIVE. AND A MAJOR REORGANIZATION OF THE PENTAGON WAS APPROVED.

WE SOLD CONRAIL -- AN ACTION THAT NOT ONLY WILL NET THE FEDERAL GOVERNMENT CLOSE TO $2 BILLION -- BUT ALSO WAS A MAJOR STEP FORWARD FOR THE REAGAN ADMINISTRATION'S PRIVATIZATION EFFORT. THE SENATE ALSO PROVIDED FOR A GRADUAL TRANSFER OF WASHINGTON'S NATIONAL AND DULLES AIRPORTS TO LOCAL CONTROL.

WE PASSED LANDMARK ENVIRONMENTAL LEGISLATION -- SUPERFUND, CLEAN WATER, WATER RESOURCES.

AFTER MANY YEARS AND FRUITLESS ATTEMPTS, CONGRESS AGREED TO REVAMP THE NATION'S IMMIGRATION LAWS. FOR THE FIRST TIME EMPLOYERS WILL BE SUBJECT TO FINES IF THEY KNOWINGLY HIRE ILLEGAL ALIENS.

ANOTHER LAW ENFORCEMENT ISSUE THAT CONGRESS HAD DEBATED FOR MANY YEARS -- A BILL TO EASE FEDERAL GUN CONTROL LAWS -- WAS APPROVED.

THE SENATE ALSO CLEARED SCORES OF NOMINATIONS -- TWO ON THE SUPREME COURT, DOZENS OF OTHER JUDICIAL NOMINEES AS WELL AS AMBASSADORS, AND OTHER KEY GOVERNMENT APPOINTMENTS, SOME OF WHICH HAD BEEN ON THE SENATE'S EXECUTIVE CALENDAR FOR MORE THAN A YEAR.

WE COMPLETED ACTION ON A MEASURE TO ATTACK THE NATIONAL NIGHTMARE OF DRUG ABUSE. THE BILL PROVIDES ADDITIONAL FUNDS FOR DRUG INTERDICTION, ERADICATION, EDUCATION, TREATMENT AND REHABILITATION EFFORTS. IT ALSO INCREASED PENALTIES FOR MANY FEDERAL DRUG CRIMES AND PROVIDED FUNDS FOR GRANTS TO STATES FOR LAW ENFORCEMENT.

AND FOR THE FIRST TIME IN 50 YEARS, CONGRESS WENT THROUGH THE ENTIRE IMPEACHMENT PROCESS, INCLUDING A TRIAL HERE IN THE SENATE.

LAST, BUT NOT LEAST, THE SENATE ENTERED THE MODERN COMMUNICATIONS ERA BY AGREEING TO ALLOW LIVE TELEVISION COVERAGE OF FLOOR PROCEEDINGS. AT THE SAME TIME, WE MADE SUBSTANTIVE CHANGES IN SENATE RULES, SUCH AS LIMITING POST-CLOTURE FILIBUSTERS TO THIRTY HOURS.

I HAVE HIT JUST SOME OF THE HIGHLIGHTS. THERE WERE MANY, MANY OTHER BILLS PASSED, BILLS INTRODUCED, HEARINGS HELD. THE SENATE IS A VERY SPECIAL INSTITUTION. IT IS ONE OF THE FEW LEGISLATIVE BODIES IN THE WORLD WHERE THE RIGHTS OF ONE INDIVIDUAL, ONE SENATOR, WHETHER HE COMES FROM THE LARGEST OR MOST POPULOUS STATE, OR THE VERY SMALLEST, ARE SO CHERISHED AND SO PROTECTED. SOME TIMES THAT MEANS THE SENATE DOES NOT OPERATE LIKE A WELL-GREASED MACHINE. BUT THAT OUR JOB IS NOT MERELY TO CHURN OUT BILLS. IT IS TO LEGISLATE TO CRAFT POLICY WISELY, REFLECTING THE VIEWS AND INTERESTS OF EVERY SEGMENT OF OUR DIVERSE SOCIETY.

THE 99TH CONGRESS DID THIS AS WELL AS ANY CONGRESS IN RECENT MEMORY. WE DID OUR JOB.

A LOT OF PEOPLE DESERVE THE CREDIT FOR OUR SUCCESS -- FROM THE LEADERSHIP ON BOTH SIDES OF THE AISLE, TO THE COMMITTEE CHAIRMEN AND INDIVIDUAL MEMBERS AND ALL THE SUPPORT STAFF. THE SENATE WORKS BEST WHEN WE ALL WORK TOGETHER.

ROBERT J. DOLE
MAJORITY LEADER

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

The primary responsibility of the Committee on Agriculture, Nutrition, and Forestry, under the leadership of its Chairman, Senator Jesse Helms, is the basic farm and feeding programs of the Federal Government. These programs include the farm commodity, lending, research, forestry, and conservation programs, as well as futures trading, pesticides, food stamps, and other food assistance programs. The Committee carries out its responsibilities through consideration of authorizing and other legislation and through oversight hearings.

99th Congress - 1st Session

During the first session of the 99th Congress, the Committee conducted 41 days of hearings on legislation, held 40 business meetings to mark up legislation or consider nominations, and held 1 conference with the House Committee on Agriculture and 1 conference with the House Committee on Foreign Affairs. The Committee reported 8 bills or resolutions. Ten bills or resolutions in which the Committee had an interest were enacted into law.

Major Legislation Enacted Into Law

Food Security Act of 1985

Public Law 99-198--An Act to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to continue food assistance to low-income persons, to ensure consumers an abundance of food and fiber at reasonable prices, and for other purposes.

One of the major accomplishments of the Committee on Agriculture, Nutrition, and Forestry during the 1st session of the 99th Congress was the Food Security Act of 1985, approved December 23, 1985. This legislation (H.R. 2100) makes comprehensive changes in farm commodity and related programs.

The 5-year Act reduces loan rates for wheat, feed grains, cotton, and rice, establishes target prices for those commodities, reauthorizes other commodity programs, extends and expands export programs of the United States Department of Agriculture, initiates new strong soil conservation provisions, and improves the effectiveness of the credit programs of the Farmers Home Administration.

Major provisions of the Act include:

Wheat and feed grains

--Basic initial loan rates for grains start at $3.00 a bushel for 1986 wheat and $2.40 for 1986 corn. From 1987 on, loans for grains are set each year at between 75 and 85 percent of the average price received by producers during the immediate preceding 5 marketing years, excluding the high and low years, with annual reductions limited to 5 percent.

--After calculating the basic initial loan rates, the Secretary can then further reduce the rate for any year by up to 20 percent if (1) market prices in the previous season fail to exceed 110 percent of the previous year's basic loan rate, or (2) the Secretary determines that a further cut is needed to compete on world markets. For the 1986 crop only, the Secretary is required to use this authority to drop the loan rate at least 10 percent.

--The Secretary has discretionary authority to allow repayment of price support loans at levels which could be set as low as 70 percent of the original loan rate. The Secretary has additional discretionary authority to give producers one of two alternate types of marketing certificates to help promote exports.

--Target price income protection operates alongside whichever loan system is used, and any reduction below the basic initial loan rates is offset by increased target price deficiency payments that are not subject to payment limits.

--Target prices, which provide direct payments to farmers when market prices are below the target price, are frozen ($4.38 a bushel for wheat and $3.03 a bushel for corn) through 1987. For the 1988 crop, the Secretary has authority to set the target price level at not less than 98 percent of the 1986 level; at not less than 95 percent of the 1986 level for the 1989 crop; and at not less than 90 percent of the 1986 level for the 1990 crop, but not lower than $4 for wheat and $2.75 for corn.

--To qualify for benefits in any year in which carryover wheat stocks exceed 1 billion bushels, wheat producers are required to reduce acreage as follows: in 1986, a maximum diversion of 25 percent (including a mandatory minimum reduction of 15 percent, a mandatory in-kind paid diversion of 2.5 percent, and further discretion for reductions of 7.5 percent); in 1987, a maximum reduction of 27.5 percent (including a mandatory minimum reduction of 20 percent and a further 7.5 percent at the Secretary's discretion); and in 1988-90, a maximum of 30 percent (including a mandatory minimum of 20 percent and a further 10 percent at the Secretary's discretion). For the 1986 crop only, the Secretary is required to offer growers who planted before announcement of the program a chance to idle 10 percent of their base acreage in return for payments.

--For feed grains, if stocks exceed 2 billion bushels of corn, the 1986 reduction is a maximum of 20 percent, including a mandatory minimum of 12.5 percent, a mandatory in-kind paid diversion of 2.5 percent, and further discretion for reductions of 5 percent. For 1987-90, the maximum is 20 percent (including a mandatory minimum of 12.5 percent, plus up to 7.5 percent at the Secretary's discretion).

--For all grains, the Secretary has the authority to offer producers a further voluntary paid diversion beyond the basic minimums in the Act.

--The Secretary is required to allow haying and grazing on diverted acres in 1986 and to permit grazing in 1987-90 if State Agricultural Stabilization Committees request it.

--The Secretary has discretionary authority to offer producers a "Target Option Program" under which the individual grower's wheat target price would rise if the producer elected higher levels of acreage reduction or decline if the producer elected lower acreage reduction levels. Also optional for the Secretary is a plan that would vary target price levels for farms of different sizes in an effort to concentrate benefits on medium-sized farms. For the 1986 crop, the Secretary is required to pay part of the expected target price deficiency payments in advance and to make part of the payments with "in-kind" commodities.

--The Secretary has discretionary authority to proclaim marketing quotas for wheat and establish a mandatory acreage control program for wheat, subject to the approval of producers in a referendum.

--The Act requires the Office of Technology Assessment to study Federal grain export quality standards. It also provides that 6 months after the study, the Department of Agriculture must revise its export grading rules, in line with the study's findings, to protect grain quality.

Cotton

--The basic support loan rate is set at 55 cents per pound for 1986. For the 1987 through 1990 crops, the loan rates are to be based on 85 percent of the world market price, with reductions limited to 5 percent annually, with a minimum support loan rate of 50 cents per pound.

--If the basic loan rate is not competitive with prices on world markets, the Secretary must choose one of two alternate "market enhancement" plans for repayment of loans. Under one plan, the Secretary could lower the repayment rate by up to 20 percent, thus allowing farmers to redeem their crops and sell them at competitive prices. Under the second plan, repayment would be at rates changed periodically throughout the year to keep pace with world markets. In instances in which world market price levels fall below the new loan repayment levels, the Secretary must issue "in-kind" certificates to domestic and foreign buyers to bridge the gap between the effective support level and the market price.

--Target prices are frozen for the 1986 crop at the 1985 level of 81 cents per pound. For the 1987 crop, the Secretary has the authority to set the target price at not less than 98 percent of the 1986 level; at not less than 95 percent of the 1986 level for the 1988 crop; at not less than 92 percent of the 1986 level for the 1989 crop; and at not less than 90 percent of the 1986 level for the 1990 crop.

--To qualify for program benefits, producers must divert up to 25 percent of their acreage. The Secretary can offer a voluntary payment-in-kind supplemental diversion plan, including payments in kind, if greater acreage diversion is needed.

Rice

--The basic loan rate is set at $7.20 per hundredweight for 1986 and, for the 1987 through 1990 crops, is based on 85 percent of the average market price in each of the past 5 years, excluding the high and low years, with annual reductions limited to 5 percent and a minimum support loan rate of $6.50.

--The Secretary must permit repayment of the price support loan at the world market price, but not below 50 percent of the original loan rate for 1986 and 1987, not below 60 percent of the original loan rate for 1988, and, for 1989 and thereafter, not below 70 percent of the original loan rate. Up to one-half of the difference between the original level and the repayment level may be paid in negotiable in-kind certificates.

--If the market price falls below the repayment level, the Secretary must issue in-kind marketing certificates to exporters bridging the gap between domestic and world prices. The "marketing loan" plan under which growers can repay support loans at a reduced rate is applied to the 1985 crop in the case of rice, as well as to the 1986-90 crops.

--Target prices are frozen at $11.90 per hundredweight for the 1986 crop and then scaled down using the same formula as for cotton. Percentages of 98, 95, 92, and 90 of the original target price level are used for the years 1987 through 1990.

--Producers who wish to enter the program are subject to acreage reductions of up to 35 percent. The Secretary may also offer a voluntary paid diversion program and make in-kind payments.

Dairy

--The Act retains the 1985 per hundredweight price support level for 1986. This price support is $11.60 per hundredweight.

--The Secretary is required to implement a whole herd buyout program for 18 months, under which producers -- on a bid basis -- may take their entire herds out of production. The program is funded by an assessment of 40 cents per hundredweight on all milk marketed during the April 1986 - December 1986 time period.

--The Secretary is required to purchase 400 million pounds of red meat for export and domestic feeding programs during the 18-month program.

--The Secretary is required to implement provisions for orderly marketing of dairy cattle during the whole herd buyout program.

--On January 1, 1987, the Secretary is required to reduce the price support level by 25 cents per hundredweight, and is required to reduce the whole herd dairy buyout assessment to 25 cents per hundredweight.

--The Secretary is required to reduce the price support level by 25 cents per hundredweight on October 1, 1987, at which time the whole herd dairy buyout assessment is terminated.

--During 1988 through 1990 the Secretary is required to reduce the price support level by 50 cents per hundredweight if Commodity Credit Corporation (CCC) purchases are projected to exceed 5 billion pounds. If CCC purchases are projected to be less than 2.5 billion pounds, the Secretary must raise the price support level 50 cents per hundredweight.

--Differentials used in setting minimum fluid milk prices in some marketing orders are increased.

Soybeans

--The Act continues the basic price support loan rate through 1986 and 1987 at the 1985 minimum rate of $5.02 per bushel. For the next 3 years, the loan rates are based on an average market price formula with reductions limited to no more than 5 percent per year, and with a minimum support loan rate of $4.50 per bushel. In all of the 5 years, the Secretary has authority to reduce loan rate levels by an additional 5 percent if necessary to keep the crop competitive in world markets. The Secretary also has discretionary power to allow repayment of loans under a "marketing loan" system.

Sugar, wool, and mohair

--The Act generally extends the 1985 programs for sugar, wool, and mohair.

--The wool price support formula is unchanged through 1990. For 1986, the shorn wool support price is $1.78 per pound. The price support level for pulled wool and mohair is continued in relation to the price support level in effect for shorn wool.

--The sugar price support is maintained through 1990 at 18 cents per pound.

--1986 sugar import quotas are extended.

--Beginning with the quota year 1986/1987, the Secretary is directed to operate the sugar program with quota levels which avoid any cost to the Federal Government. Also, beginning in the 1986/1987 quota year, no import quotas can be given to a country that is a net importer of sugar unless the country can verify that it does not import, for reexport to the United States, any sugar produced in Cuba.

Peanuts

--Price supports for peanuts grown within a domestic (food and seed) quota in 1986 are set at the 1985 level, plus any increase in the cost of production; for 1987 through 1990, such support levels can be adjusted to reflect increases in the cost of production, but not by more than 6 percent annually, and access to quota sales at the domestic support level is broadened by sharing any growth in the quota between old and new growers. The Act sets a floor of 1.1 million tons (the statutory 1985 level) under the annual domestic peanut quota for the next 5 years, but provides that the quota can increase if actual domestic needs grow.

Honey

--The price support level is reduced from the 1985 level of 65 cents a pound to 64 cents for 1986 and 63 cents for 1987. In the following 3 years, the Secretary is authorized to provide reductions of up to 5 percent annually and to implement a marketing loan.

Payment limitations and general commodity provisions

--The Act continues the 1985 $50,000 annual per producer ceiling for program payments. Exempt from the ceiling are: (1) target price payments required to offset support loan cuts below basic loan levels, (2) payments made under several program cost-reduction items for which the Act provides discretionary use by the Secretary, and (3) any gains farmers realize when paying off support loans at less than the initial loan level. [Note: The joint resolution (H.J.Res. 738) Making appropriations for the fiscal year 1987, and for other purposes, included a further limitation on Federal payments to farmers that is effective beginning with the 1987 crops. Standard income deficiency and land diversion payments would be limited to $50,000 per person, as they are in the Food Security Act of 1985. Additional payments and payment-like benefits for wheat, feed grains, cotton, rice, and honey would be limited, so that they, combined with the basic $50,000 limit, could not exceed a total of $250,000 for any one person. The payments and benefits covered by this second-stage $200,000 limit include: (1) income deficiency payments made because the effective price support loan rate for a commodity has been set below the standard rate; (2) gains realized by a producer from repaying a price support loan at less than the original loan rate (as part of a so-called "marketing loan" program); (3) any part of a payment that the Secretary of Agriculture rules is compensation for public recreational access or resource adjustment (excluding paid land diversions); (4) any disaster payment made under one of the annual stabilization programs for commodities; and (5) any loan deficiency or inventory reduction payments received (these latter options were created for discretionary use by the Secretary under the Food Security Act of 1985, but are not currently in use).

--For honey, there is a limit of $250,000 on the total amount of loans a producer can have outstanding at any one time. The honey loan ceiling will be reduced by the amount of any other payments the producer had received. The bill does not limit price support loans for other commodities.

--The payment limitation established in the Continuing Resolution could be raised by the Secretary of Agriculture if the Secretary determines that it would keep farmers out of surplus-reduction programs, reduce market prices, or increase the volume of surplus crops forfeited to the Government under price support loan programs.]

--A $100,000 ceiling is placed on disaster payments to producers of wheat, feed grains, cotton, and rice. Similar disaster payments are authorized for the 1985-90 crops of soybeans, sugar beets, sugarcane, and peanuts.

--Advance deficiency payments are required for the 1986 crops of wheat, feed grains, cotton, and rice, and are discretionary for the 1987 through 1990 crop years. The Secretary may also make up to 5 percent of the total deficiency payment with surplus commodities. [Note: The Futures Trading Act of 1986 (Public Law 99-641) requires that advance deficiency payments in varying amounts be made in the 1987 crop year.]

--New provisions for determining crop and total farm acreage bases are included, along with revisions in the farmer-owned grain reserve program, putting new limits on the program.

--For the programs using target prices, the Secretary may make payments to producers who are eligible for loan and target price payments, but agree to forgo those benefits.

--A beef promotion board is established to administer a beef promotion program. The program is funded by a $1 per head checkoff at the point of sale, and is also applicable to imported beef. A credit of up to 50 cents per head is provided for assessments paid to State beef councils. Provision is also made for refunds to producers and importers. A referendum among beef producers to determine whether the beef promotion program should be continued must be held within 22 months of the beginning of the program.

--A similar pork promotion board is established to operate a pork promotion program, funded by a 1/4 of 1 percent checkoff of the sales price of swine and imported pork products. The money checked off is refundable at the request of the producer until a referendum is held to approve or disapprove the promotion program. A referendum must be held within 24 to 30 months of the beginning of the program.

Exports

--Requires the Secretary to offer surplus commodities owned by the Agriculture Department to exporters, processors, or foreign buyers to encourage the development and expansion of overseas markets for American crops, including processed farm products. The Secretary is directed to use $2 billion worth of commodities for the program over fiscal years 1986 through 1988 to counter unfair foreign trade practices and generally to make American products more competitive. At least 15 percent of the total funds available for commodity export enhancement programs can be devoted to exports of poultry, meat, and meat products.

--Requires the Secretary to make available not less than $5 billion annually in short-term export credit guarantees for fiscal years 1986 through 1990.

--The Secretary must make not less than $325 million available annually in fiscal years 1986 through 1988 in cash or in surplus commodities for direct export credits to counter the subsidies, import quotas, or unfair trade practices of foreign countries. The direct credits, whether in cash or in kind, could be used in so-called "blended credit" export programs.

--Broadens the purposes for which an existing intermediate (3-to-10-year) export credit program can be used and directs the Secretary to make available intermediate loan guarantees of at least $500 million a year through fiscal year 1988, with a ceiling in fiscal 1989 of $1 billion. A previously-authorized export credit revolving fund is also reauthorized. Also, the Department of Agriculture is directed to operate a pilot test of barter programs with at least 2 countries to acquire strategic or other materials for which there are unmet national stockpile goals.

--Requires the President to designate a Special Assistant for Agriculture Trade and Aid to improve coordination of Federal agency programs in overseas food assistance.

--Extends the Food for Peace program and provides that at least 75 percent of the food shipped under the donation phase of the program be in the form of processed, fortified, or bagged products. For fiscal year 1986, shipments under the donation phase are to be maintained at the 1985 level of 1.8 million tons. The Act also authorizes expanded operations under a related program that provides surplus commodities for needy people abroad and provides that not less than one-tenth of 1 percent of Food for Peace (P.L. 480) funds for fiscal years 1986 and 1987 must be used for the farmer-to-farmer technical assistance program.

--Authorizes the President to donate between 75,000 and 500,000 metric tons of eligible section 416 or Public Law 480 commodities, or any combination thereof, in each of the fiscal years 1986-90 under a new Food for Progress program to promote private free enterprise policy and development. At least 75,000 tons of such commodities must be made available under section 416. In return for the commodities, the recipient country must promote economic freedom in the production of food for domestic consumption and must be able to use the donated commodities without disrupting its own agricultural markets.

--A section on cargo preference shipping provides that commodities exported under Public Law 480 and two other donation programs are subject to a cargo preference floor starting at 60 percent in calendar year 1986 and rising to 75 percent in calendar year 1988 and thereafter (in lieu of the current 50 percent). The Act provides that additional funds needed for these increases must come from the Department of Transportation and exempts from cargo preference a number of commercial-style export and export credit programs operated by the Department of Agriculture, including the blended credit programs. If the Department of Transportation is not able to provide the additional funds, the new provisions would cease to be effective and the law as it existed prior to this amendment would come back into effect.

--The Act requires the Secretary of Agriculture and the U.S. Trade Representative to pursue agricultural trade consultations with major producing countries. Trade-related studies required by the Act include a study to determine the impact on U.S. agriculture of Brazilian ethanol imports and a study on specific unfair trade practices by foreign countries that affect American exports.

Conservation

--For highly erodible land that has not been cultivated since 1980, the Act initiates a new "sodbuster" program to discourage the plowing of fragile soils. If a farmer plants a crop on fragile land in violation of the terms of the Act, the farmer loses price supports and other farm program benefits for all the farmer's crops in the year of the violation. Highly erodible land that was used for crops (or idled under a Government acreage control program) between 1981 and 1985 would initially be exempt from the sodbuster penalties, but this "grandfather clause" exemption would disappear for any affected producer who fails to begin applying a conservation plan by 1990, or 2 years after completion of a soil survey of the producer's land, whichever is later. Producers would have until 1995 to complete application of the conservation plan. A companion "swampbuster" provision would deny farm program benefits to producers who convert wetlands to crop use in the future, except in cases where crop production on the wetlands has a minimal impact on the character of the wetlands.

--For highly erodible soils that are already in crop use, the Act initiates a long-term Conservation Reserve program under which farmers could contract for periods of 10 to 15 years to return 40 to 45 million of such acres to less-intensive uses, such as grass or trees. In return for compliance with the contracts, growers would get cash or "in kind" land rental payments, established on a bid basis, plus payments covering a part of the cost of needed land treatment measures. No more than 25 percent of the land in any county could be enrolled in the Conservation Reserve, except in counties where the Secretary decides that higher levels would not hurt the county economy. There would be a $50,000 limit on annual payments to farmers under Conservation Reserve contracts.

--The Act extends the Resources Conservation Act, requiring the Agriculture Department to produce assessments of soil and water resources in 1995 and again in 2005. The Act also permits governors of States having laws protecting farmland from urban development to file suits challenging Federal conversion of farmland to nonfarm uses. The Federal law requires, among other things, that Government agencies consider alternatives before taking actions that result in the conversion of farmland to nonfarm uses.

--The Act requires the Secretary to formulate plans and give technical assistance to property owners, State and local agencies, and interstate river basin commissions to protect the quality and quantity of subsurface water, reduce flooding hazards, and control salinity. The Secretary must report to Congress on this matter by February 15, 1987.

Credit and rural development

--The Act reauthorizes and in some cases revises Federal farm credit and rural development programs. It requires the Secretary, through September 1988, to operate a $490 million program under which the Agriculture Department and private lenders would share equally in the cost of reducing interest rates for hard-pressed farmers who hold loans guaranteed by the Farmers Home Administration. The Federal Government could pay 2 percent of the "buy-down," or one-half of the total, whichever is lesser.

--Authorization ceilings include annual caps for the 1986 through 1988 fiscal years of $3.48 billion for Farmers Home Administration farm operating loans, with a phased shift from an equal division between direct and guaranteed loans to a third-year division of $870 million for direct and $2.610 billion for guaranteed loans.

--For farm ownership loans, the Act authorizes $520 million annually, beginning with an equal division between direct and guaranteed loans and ending with a third-year division of $130 million in direct loans and $390 million in guaranteed loans. The Secretary is authorized to transfer up to 25 percent of each year's guarantee allocation to direct loans.

--For emergency disaster loans there are ceilings of $1.3 billion in fiscal year 1986, $700 million in 1987, and $600 million in 1988. Disaster loans are not available to those who can get credit elsewhere or, beginning in 1987, to those who choose not to purchase crop insurance if it was available. In addition, eligibility for Farmers Home Administration disaster loans is restricted to operators of not larger than family size farms.

--For rural development programs, the Act authorizes $340 million annually for 3 years in direct water and waste disposal loans and $250 million annually in guaranteed industrial development loans, plus $115 million in direct community facility loans. The Act also provides a new method of determining eligibility for water and sewer loans and grants based on community income and health and sanitary conditions.

--A "clear title" provision in the Act is designed to protect buyers of farm products from title challenges, while still allowing lenders to protect their liens on farm products. States have been given 12 months to set up central registry systems for recording farm product liens.

--The Department of Agriculture must observe a number of restrictions on the way it handles farmland acquired by the Federal Government in future foreclosures of Farmers Home Administration (FmHA) loans. Among other provisions, the Department is forbidden to sell such land if the sale would depress local farmland values. First priority in any sale or lease must be given to operators of farms that are not larger than family size farms. In leases, the Act calls for giving priority to former owners of the land. Sales prices must reflect the probable income the land can produce. Where FmHA-owned land is administered under management contracts, the management contracts must be let under competitive bids, with preference given to local small businessmen. The use of conservation practices may be required on land that has been classed as highly erodible as a condition of sale or lease.

--The Act allows the Secretary to acquire from FmHA borrowers who cannot repay their loans conservation, recreational, or wildlife easements on land that has been used to produce row crops, but is classed as wetland, upland, or highly erodible land. In return, the Secretary can cancel part of the borrower's debt.

--The Secretary may make loans to distressed FmHA borrowers who plant timber crops on marginal farmland pledged as security for their existing loans. The new credit would be used to reamortize the old loan and would be repayable when the timber produces revenue or within 45 years. The total program would be limited to 50,000 acres of timber.

--The category of those eligible to borrow from cooperative banks of the Farm Credit System is expanded to include all rural utilities eligible to borrow from the Rural Electrification Administration.

--The Act requires a study of procedures used by FmHA for farmer appeals when loan applications are rejected. A new, speedier appeals system using informal meetings is established. The Act requires FmHA to process loan applications within 60 days, to provide funds on approved loans within 15 days, and to continue the agency's small farmer training and technical assistance program.

Research

--The Act authorizes a 3-year program of special grants for educational and counseling programs to develop income alternatives for producers who have been forced out of farming by economic stress. It also directs the Secretary of Agriculture to develop "appropriate controls" on the development and use of biotechnology in agriculture.

--The Act includes a provision urging the Department of Agriculture to emphasize, in its research and teaching programs, new technology suitable for small and moderate-sized farms. The Secretary is directed to report on (1) the feasibility of more complete studies of the relationship between diet and blood cholesterol in humans and (2) dietary calcium and its importance in human health and nutrition. The Act allows the Secretary to make cooperative, cost-sharing agreements with private agencies, organizations, or individuals to develop new agricultural technology, authorizes research on new uses for farm and forest products, and directs the Secretary to conduct demonstration projects on the development or commercialization of crops that would supply strategic industrial products.

--Federal agricultural research funding authorizations are extended through fiscal year 1990. Fiscal year 1986 authorizations include $600 million for Federal activities, $270 million for contributions to cooperative research in State experiment stations, and $370 million for contributions to cooperative extension programs in States (with $10-$20 million annual increases in the following years for the three programs), and $7.5 million annually for aquaculture research.

--The Act authorizes competitive research grants through fiscal year 1990 at a level of $70 million, and grants and fellowships for food and agricultural science education at an annual level of $50 million. It reauthorizes the Research Facilities Act through fiscal year 1990 at a level of $20 million with a Federal-State matching provision for facilities at State cooperative institutions. It reauthorizes the Animal Health and Disease Research Advisory Board at an authorization level of $25 million. It also authorizes permanent extension funding for the 1890 land grant institutions and $10 million annually for 5 years for extension facilities. The Act establishes a new program of agricultural productivity research with demonstration projects to be conducted for a term of at least 5 years and, to the extent practicable, 12 to 15 years.

Food assistance

--The Act extends the Food Stamp Program for 5 years, improves some program benefits, and requires all States to establish special employment and training programs to help move jobless food stamp recipients onto payrolls. The Act also extends for 2 years, through fiscal year 1987, the Temporary Emergency Food Assistance Program authorizing distribution of Federal Government surplus food to the needy.

--Some of the food stamp changes in the Act bring about an increase in work incentives through the revision of the "earned income" deduction used in calculating food stamp benefits; adjustments in asset limitations to make the program more accessible to working poor households; an increase in the excess shelter cost deduction; and actions to strengthen program accountability and management.

--Other food assistance provisions in the Act extend the Commodity Supplemental Food Program for women and young children for 5 years and broaden the program to serve elderly persons in cases where this would not deny benefits to women and children. The Act also authorizes increased nutrition education for low-income people and strengthens current efforts to monitor the nutrition of low-income people.

Other provisions

--The Act provides that, in order to prevent damage to older gasoline engines used on many farms, the Environmental Protection Agency (EPA) must not reduce the lead limit in gasoline to below 0.1 gram per gallon until Jan. 1, 1988. In the interim, the Department of Agriculture and EPA must study the need for lead additives in gasoline used in farm machinery engines, complete the study by January 1, 1987, and report within 6 months thereafter on whether it is appropriate to modify the general lead-limit rules in the case of gasoline used for farming purposes.

--The Act bans imports of Flue-cured or Burley tobacco that do not pass U.S. pesticide residue tests applied to American-grown tobacco. The Act also directs the Department of Agriculture to continue a program of random checks to determine if imported Canadian potatoes meet U.S. standards.

--A ban for a total of 5 years is placed on price supports and certain other farm benefits for persons convicted of growing or storing "controlled substance" drugs; authorizes watermelon producers to adopt a checkoff program to finance research and promotion; and directs the Secretary to conduct a pilot program under which wheat, cotton, feed grain and soybean growers in at least 40 counties would use futures or options markets to protect their incomes, with participating producers assured by the Secretary that their returns would not fall below the returns that could be obtained from the use of price support loans.

--An animal welfare title revises standards for the humane handling of animals by research facilities, dealers and exhibitors. The Act directs the Secretary to develop standards setting minimum requirements for housing, feeding, veterinary care, and experimental procedures that minimize pain and distress.

--Changes are made in the Federal Virus-Serum-Toxin Act, a law that regulates veterinary biologics, to give the Department of Agriculture control over intrastate as well as interstate sales of such biologies, but would allow States that have effective regulatory systems to retain them. Intrastate producers would be given up to 4 years to comply with Federal regulations.

--Other provisions in the Act require the Secretary to give 60 days notice to the Senate and House agriculture committees before acting to terminate marketing orders for non-price supported crops; require the Secretary to designate 3 local administrative areas for the selection of community Agricultural Stabilization Committees, with some exceptions; and require the Secretary to control grasshoppers and Mormon crickets on Federal rangeland.

Farm Credit System Legislation

Public Law 99-205--An Act to amend the Farm Credit Act of 1971, to restructure and reform the Farm Credit System and for other purposes.

Another major accomplishment of the Committee on Agriculture, Nutrition, and Forestry during the 1st session of the 99th Congress was legislation (approved December 23, 1985) to make regulatory and structural changes in the Farm Credit System. The legislation (S. 1884) restructures the Farm Credit Administration to make it a stronger, more effective regulator; provides the Farm Credit System with increased authority to help solve its financial problems; and authorizes the Secretary of the Treasury to purchase obligations of the System's capital corporation under terms and conditions established by the Secretary.

Major provisions of the Act are as follows:

Farm Credit Administration regulatory authorities

--The part-time Federal Farm Credit Board is replaced with a three person full-time board appointed by the President with Senate confirmation. All Board members, with the exception of two initial appointees, will serve 6-year staggered terms; the President must designate one member to serve as the Chairman. Members of the current Federal Farm Credit Board may continue to serve as an advisory committee to the new Board.

--The Chairman of the Farm Credit Administration Board acts as the chief executive officer of the Farm Credit Administration (FCA).

--Intermediate enforcement powers are authorized for the FCA. These new authorities enable the FCA to issue cease-and-desist orders and remove directors and officers under certain conditions; these powers are generally consistent with those held by other financial regulators.

--The FCA's supervisory and management authority that is exercised with regard to the System's internal decisionmaking process is revised to make FCA's role consistent with that of other financial regulators.

--The FCA's examination authorities are strengthened. Existing delegations of authority to district banks to conduct examinations of associations are removed and the FCA is required to examine those institutions. Further, FCA can make recommendations to association management based on these examinations and publish examination reports if a System institution fails to carry out the recommendations.

--The System's institutions are required to make an annual financial report, audited by an independent public accountant, prepared in accordance with generally accepted accounting principles.

--With the approval of the FCA, all of the like associations within a district could voluntarily merge into a single district-wide association upon the vote of a majority of shareholders in each of the affected associations in the district. In any State in which two-thirds of the stockholders vote against such merger, the associations of that State must not be required to merge into a district-wide association. No association whose members elect to remain an independent association can be: (1) charged higher assessments than other similar associations in the district, or (2) discriminated against in the provision of financial service by a district bank.

--The FCA cannot charter a new association to operate in a territory authorized to be served by another association unless the board of directors of the existing association agree or the new association was authorized to operate in the territory prior to July 1, 1985.

Financial assistance for the Farm Credit System

--Discretionary authority is authorized for the Secretary of the Treasury to provide back-up financial assistance through the purchase of obligations issued by a System entity under terms and conditions to be set by the Secretary;

--A mechanism is authorized through which financial assistance can be made available, at the discretion of the Secretary of the Treasury, only after the FCA has certified that the System's resources have been fully committed, to the extent that additional contributions by System institutions would preclude those institutions from making credit available to eligible borrowers at reasonable terms;

--Adequate assistance (once authorized by Treasury) to ensure that the System's institutions can continue to make credit available to eligible borrowers at reasonable terms is authorized; banks of the System will continue to have access to funds in the public financial markets;

--Establishment of a Federally chartered Capital Corporation owned by the System banks is authorized to (1) facilitate the System's efforts to resolve its financial problems through the redistribution of capital within the System (under the close supervision of FCA), and (2) serve as a temporary mechanism to channel any necessary Federal assistance to System institutions;

--The Corporation is empowered to participate in System-wide borrowing;

--The assessment procedure of the Capital Corporation is used to redistribute funds throughout the System and to repurchase any notes issued by the Capital Corporation to the U.S. Treasury. Assessments are limited to a level permitting the System banks to continue to be competitive and viable lenders.

In addition, the Act codifies certain rights of System borrower-shareholders with regard to disclosure of factors affecting variable interest rates, access to loan documents and shareholder lists, and specifies certain policies regarding forbearance.

Other Legislation Enacted Into Law

The Committee on Agriculture, Nutrition, and Forestry also considered 6 other bills that were subsequently enacted into law.

Public Law 99-63--An Act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986.

This Act (approved July 11, 1985) extended the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986, to not later than 31 days after adjournment sine die of the 1st session of the 99th Congress.

Public Law 99-114--An Act to extend temporarily certain provisions of law.

This Act (approved October 1, 1985) suspended the noncash benefit requirement for the Puerto Rico Nutrition Assistance Program until November 15, 1985, and temporarily extended the dairy price support program. In addition the Act delayed the announcement of the loan level and national program acreage for extra-long staple cotton until after the Secretary of Agriculture announced the loan level and the national program acreage for upland cotton.

Public Law 99-157--An Act to extend temporarily the dairy price support program and certain food stamp program provisions, and for other purposes.

This Act (approved November 15, 1985) temporarily extended the dairy price support program until December 13, 1985. The Act also extended 2 provisions of the Food Stamp Act of 1977 through December 13, 1985. These provisions deal with the date by which Puerto Rico must convert to a noncash benefit program under its block grant for nutrition assistance and the food stamp pilot projects that permit certain Supplemental Security Income and elderly recipients to receive cash in lieu of food stamp benefits. The Act also authorized the Secretary of Agriculture to delay the conduct of referenda with respect to approval by farmers of marketing quotas for cotton and peanuts to no later than 31 days after adjournment sine die of the 1st session of the 99th Congress. The extensions were considered necessary since final action on the Food Security Act of 1985 (Public Law 99-198) was not expected until after November 15, 1985. The Act also provided that the support level for the 1985 crop of Burley tobacco would be $1.488 per pound and that the marketing assessment for this crop could not exceed 4 cents per pound.

Public Law 99-182--An Act to extend temporarily dairy price support program and certain food stamp provisions, and for other purposes.

This Act (approved December 13, 1985) temporarily extended the dairy and food stamp provisions referred to in Public Law 99-157 through December 31, 1985. The Act also provided that the proclamation of the national marketing quota for the 1986 crop of Flue-cured tobacco could be made no later than December 31, 1985.

Public Law 99-199--An Act to direct the Secretary of Agriculture to release the condition requiring that a parcel of land conveyed to New York State be used for public purposes and to convey United States mineral interests in the parcel to New York State.

This Act (approved December 23, 1985) required the Secretary of Agriculture to release the condition that a 5.8 acre parcel of land previously conveyed to the State of New York be used for public purposes and to convey United States mineral interests in the parcel to that State.

Wilderness Legislation

Public Law 99-197--An Act to designate certain national forest system lands in the State of Kentucky for inclusion in the National Wilderness Preservation System, to release other forest lands for multiple use management, and for other purposes.

The Kentucky Wilderness Act of 1985 (approved December 23, 1985) designates approximately thirteen thousand acres of National Forest System lands located within the Daniel Boone National Forest in Kentucky as wilderness. This tract is to be known as the Clifty Wilderness.

Fiscal Year 1986 Budget Reconciliation

The Committee on Agriculture, Nutrition, and Forestry incorporated a number of spending reduction provisions in the Food Security Act of 1985 which were counted as savings under the fiscal year 1986 Budget Reconciliation. Chief among these was a shift away from direct Government lending to farmers by the Farmers Home Administration (FmHA) to FmHA guarantees of farmers' loans obtained in the private sector.

The Food Security Act of 1985 also requires the Secretary of Agriculture, in each of the fiscal years 1986, 1987, and 1988, to sell for export not less than 150,000 metric tons of dairy products owned by the Commodity Credit Corporation. Of these dairy products required to be sold, not less than 100,000 metric tons must be butter and not less than 20,000 metric tons must be cheese.

Nominations

The following executive nominees were considered by the Committee and subsequently confirmed by the full Senate:

John R. Norton III, of Arizona, to be Deputy Secretary of Agriculture; confirmed by the Senate on May 15, 1985.

Peter C. Myers, of Missouri, to be Assistant Secretary of Agriculture for Natural Resources and Environment; confirmed by the Senate on May 15, 1985.

Robert L. Thompson, of Indiana, to be Assistant Secretary of Agriculture for Economics; confirmed by the Senate on May 15, 1985.

Susan Meredith Phillips, of Iowa, to be a Commissioner and Chairman of the Commodity Futures Trading Commission; confirmed by the Senate on October 16, 1985.

John William Bode, of Oklahoma, to be an Assistant Secretary of Agriculture for Food and Consumer Services; confirmed by the Senate on July 17, 1985.

John R. Norton III, of Arizona, to be a Member of the Board of Directors of the Commodity Credit Corporation; confirmed by the Senate on June 27, 1985.

Robert L. Thompson, of Indiana, to be a Member of the Board of Directors of the Commodity Credit Corporation; confirmed by the Senate on June 27, 1985.

Vance L. Clark, of California, to be Administrator of the Farmers Home Administration; confirmed by the Senate on November 6, 1985.

Larry L. Devuyst, of Michigan, to be a Member of the Federal Farm Credit Board, Farm Credit Administration; confirmed by the Senate on October 16, 1985.

Hearings

Legislative

Reauthorization of the Agriculture and Food Act of 1981--Full Committee.
  Part I: Mar. 7, 21, 22, 25, 27, 28, and 29.
  Part II: Apr. 1, 2, 3, 4, 15, 18, 24, 25, and May 1, 1985.
  Part III: Feb. 11, 1985.--Oklahoma City, Okla. Mar. 18, 1985.--Montpelier, Vt. Apr. 12, 1985.--Fresno, Calif.
  Part IV: Jan. 12, 1985.--Helena, Mont. Apr. 10, 1985.--Lincoln, Nebr. and Malta, Mont. Apr. 27, 1985.--Ogallala, Nebr.

Agricultural Trade Amendment Act of 1985 (S. 721)--Full Committee--Apr. 4, 1985.

Child Nutrition Programs (Reauthorization and Budget Issues)--Subcommittee on Nutrition--May 2, 1985.

Reauthorization of the Food Stamp Program--Subcommittee on Nutrition--June 14, 1985.

Reauthorization of WIC, the Commodity Supplemental Food Program, and the Temporary Emergency Food Assistance Program--Subcommittee on Nutrition--June 17, 1985.

Tobacco Program Improvement Act of 1985 (S. 1418)--Full Committee--July 22, 1985.

Kentucky Wilderness Act of 1985 (S. 703)--Subcommittee on Agricultural Research, Conservation, Forestry, and General Legislation--Nov. 13, 1985.

Oversight

Examining the Competitive Position of United States Agriculture in the Current World Environment--Subcommittee on Foreign Agricultural Policy--Feb. 7, 1985.

Framework and Analysis for Agricultural Policy in 1985--Full Committee--Mar. 12, 14, 19, and 20, 1985.

Examination of the Financial Condition of the Farm Credit System--Full Committee--Oct. 31 and Nov. 1, 1985.

Examination of the Soviet Vessel *Marshal Konev* and Agricultural Commodities Relating to Grain Purchases--Full Committee--Nov. 12, 1985.

Big Rivers Electric Cooperative Foreclosure--Full Committee--Nov. 11, 1985--Henderson, KY.

Nominations

Nomination of John R. Norton III, of Arizona, to be Deputy Secretary of Agriculture--Full Committee--Mar. 27, 1985.

Nominations of Peter C. Myers, of Missouri, to be Assistant Secretary for Natural Resources and Environment and Robert L. Thompson, of Indiana, to be Assistant Secretary for Economics, U.S. Department of Agriculture--Full Committee--Apr. 22, 1985.

Nomination of John W. Bode, of Oklahoma, to be Assistant Secretary for Food and Consumer Services, U.S. Department of Agriculture--Full Committee--June 24, 1985.

Nominations of Susan Meredith Phillips, of Iowa, to be a Commissioner and Chairman of the Commodity Futures Trading Commission; Vance L. Clark, of California, to be Administrator of the Farmers Home Administration, U.S. Department of Agriculture; and Larry L. DeVuyst, of Michigan, to be a Member of the Federal Farm Credit Board, Farm Credit Administration--Full Committee--Sept. 9, 1985.

99th Congress - 2nd Session

During the second session of the 99th Congress, the Committee conducted 29 days of hearings, held 11 business meetings to mark up legislation or consider nominations, held 2 conferences with the House Committee on Agriculture and 1 conference with the House Committee on Education and Labor and approved 4 watershed projects. The Committee reported 8 bills or resolutions, and 11 bills or resolutions in which the Committee had an interest were enacted into law.

Major Legislation Enacted Into Law

The Committee on Agriculture, Nutrition, and Forestry considered 6 bills that were subsequently enacted into law.

Futures Trading Act of 1986

Public Law 99-641--An Act to reauthorize appropriations to carry out the Commodity Exchange Act, and to make technical improvements to that Act.

One of the major accomplishments of the Committee on Agriculture, Nutrition, and Forestry during the second session of the 99th Congress was the Futures Trading Act of 1986. This legislation (H.R. 4613) is composed of four titles; futures trading, miscellaneous provisions, grain quality improvement, and provisions relating to Federal meat inspection.

Title I -- Futures Trading

Title I authorizes the appropriation of such sums as may be necessary to carry out the Commodity Exchange Act ("Act") during fiscal years 1987, 1988, and 1989, institutes major changes in the area of leverage transactions, and makes other technical adjustments to the Commodity Exchange Act.

Leverage Transactions

The Act requires the Commodity Futures Trading Commission to conduct a survey of firms interested in entering the leverage business and to report to Congress within 2 years on--

* the results of the survey;

* whether leverage transactions serve an economic purpose;

* the most efficient manner, consistent with the public interest, to permit new firms to enter the leverage business; and

* the appropriate regulatory scheme for leverage. In addition, the Commission's report will include regulations spelling out the terms and conditions under which additional firms could enter the leverage business. This entry of new firms can be on a gradual basis, so as not to overburden the Commission with new regulatory responsibilities. The regulations can also require a registered futures association to regulate the leverage business. The new leverage regulations would go into effect at

the end of 90 days of congressional session after being transmitted to Congress.

Authorization of appropriations

The Act authorizes the appropriation of such sums as are necessary to carry out the Commodity Exchange Act for an additional 3 years (through September 30, 1989).

Service of subpenas outside the United States

The Act explicitly authorizes the Commission to serve subpenas outside the territorial limits of the United States in such manner as the Federal Rules of Civil Procedure prescribe for service of process in a foreign country. Such subpenas, however, may not be issued for service without the prior approval of the Commission.

GAO study of trading in cattle futures contracts

The Act requires the Comptroller General to conduct and complete a comprehensive study of the trading of live cattle futures contracts. The study will put emphasis on--

(a) whether the reaction of the live cattle futures market to the whole-herd dairy buyout program in March 1986 was based on and accurately reflected the then prevailing conditions of supply and demand;

(b) the effect that the trading in live cattle futures has on--

(i) the price relationship between feeder cattle and fed cattle;
(ii) the price discovery process for live cattle; and
(iii) price competition within the cattle industry;

(c) the effect of the use of packer contracts, as a means of obtaining slaughter cattle, on the increase in short hedging and the effect of this increase in short hedging on prices in the futures and cash markets;

(d) the effect on the ability of the cash markets to reflect supply and demand conditions if packer contracts become the prevalent method of marketing fed cattle;

(e) whether the present delivery system for futures contracts on live cattle creates (1) any bias (upward or downward) in the cash price for cattle or (2) price volatility during the delivery month; and

(f) whether there are advantages or disadvantages to the use of a system of cash settlement for futures contracts on live cattle, instead of the present system of delivering live cattle to fulfill such contracts.

Within 1 year after date of enactment, the Comptroller General must submit a detailed report on the results of this study to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry. A preliminary report must be submitted to both committees by January 15, 1987.

Options transactions

The Act requires the Commodity Futures Trading Commission--within 90 days after the date of enactment--to issue regulations to--

(a) eliminate the pilot status of the trading of commodity options on contract markets, including any numerical restrictions on the number of commodities or options contracts for which a contract market may be designated; and

(b) otherwise continue to permit the trading of such commodity options under such terms and conditions that the Commission, from time to time, may prescribe.

Ex parte appointment of temporary receivers

The Act authorizes the Commission to seek the ex parte appointment of temporary receivers to administer restraining orders and to perform such other duties as the court considers appropriate.

Fraudulent practices

The Act clarifies that the Commodity Exchange Act penalties for fraudulent conduct apply to futures transactions, whether or not such transactions are executed on or subject to the rules of an exchange.

Limitations on transactions of Commissioners and Commission employees

The Act authorizes Commissioners and Commission staff to invest in actual commodities if the investment transaction is not prohibited by Commission rule, if no nonpublic information is used in deciding to enter into the transaction, and if the transaction is not made through the use of any instrument regulated by the Commission.

The Commission is also authorized to permit Commissioners and Commission staff to engage in any transaction or investment activity otherwise prohibited under the Commodity Exchange Act if the Commission determines that such activity is not contrary to the public interest or otherwise inconsistent with the purpose of section 9 of the Commodity Exchange Act.

Registered Futures Associations disciplinary actions and membership restrictions

The Act removes the automatic stay of disciplinary action taken by a registered futures association when the subject of such action appeals the case to the Commission and makes the issuance of such stays discretionary with the Commission. The Commission is required, however, to establish standards for expedited consideration of requests for stays.

The Act also--

(a) limits Commission review to final actions of a registered futures association;
(b) specifies that the review hearing before the Commission may consist of an examination of the record made before an association and an opportunity to present reasons for affirming, modifying, or setting aside the association's decision;
(c) authorizes the Commission to remand cases to an association for further proceedings; and
(d) provides that appeals of Commission orders entered in such cases be reviewed in an appropriate court of appeals.

Technical corrections to the Commodity Exchange Act

The Act makes certain technical changes to the Commodity Exchange Act to correct spelling and punctuation errors and to repeal an obsolete section of the Act.

Title II -- Miscellaneous Provisions

Cross compliance

The Act prohibits the Secretary of Agriculture from requiring participants in the 1987 and 1988 acreage reduction programs for wheat, feed grains, upland cotton, and rice, to limit their acreage of Extra Long Staple (ELS) cotton to the established acreage base for ELS cotton on their respective farms.

The Secretary would have discretion to impose this requirement, commonly known as limited cross-compliance, on ELS cotton producers who also participate in the 1989 and 1990 programs for wheat, feed grains, upland cotton, and rice.

Emergency wheat compensation

The Act amends the Agricultural Act of 1949 to provide that, for the 1986 crop of wheat only, the payment rate per bushel will be determined on the basis of the weighted average market price per bushel for the first five months of the marketing year. Prior law required that the payment rate be determined on the basis of the average market price during the entire marketing year. This provision allows the Secretary of Agriculture to pay the balance of all deficiency payments due wheat producers after the average price for the first 5 months has been finalized.

Valencia peanuts

The Act amends the Agricultural Act of 1949 to provide that distributions of net gains to producers on additional Valencia peanuts produced in New Mexico and placed in a separate pool for such peanuts will not be reduced by Commodity Credit Corporation losses on quota peanuts that are placed under loan from other pools.

Local ASC committees

The Act makes a technical change in section 8(b) of the Soil Conservation and Domestic Allotment Act of correct language controlling the establishment of local Agricultural Stabilization and Conservation (ASC) committees. Section 1711 of the Food Security Act of 1985 requires that each county be composed of three local administrative areas from which local ASC committees could be elected, except from counties having a population of less than 150 farmers and those areas determined by the Secretary of Agriculture to have an insufficient number of farmers to make up a slate of candidates for a local ASC committee.

The Act gives the Secretary discretionary authority to permit continuation of a single ASC administrative area in those counties having less than three local ASC administrative areas on December 23, 1985, the date of enactment of the Food Security Act of 1985.

Conservation reserve eligibility

The Act amends the Food Security Act of 1985 to provide that, for purposes of the Conservation Reserve Program only, alfalfa and other multiyear grasses and legumes, in a rotation practice approved by the Secretary, must be considered agricultural commodities.

Marketing practices and training

The Act requires the Comptroller General of the United States to conduct a study of the marketing practices used by Farmers Home Administration farm loan borrowers. It also authorizes the Secretary of Agriculture to establish a program to train farmers and ranchers in advanced techniques for marketing agricultural commodities.

Title III -- Grain Quality Improvements

Foreign material recombination

Effective May 1, 1987, the Act prohibits (1) the recombination of dockage and foreign material, as defined by the Secretary of Agriculture, with grain, and (2) the addition of dockage or foreign material to grain. The Act, however, does not prohibit the recombination of grain dust with grain or the addition of grain dust to grain.

The Act also provides that the prohibition against recombination or the addition of dockage or foreign material does not apply to certain specified activities. Further, the Secretary of Agriculture is permitted to exempt from the prohibitions, by regulation, the last handling of grain in its final sale and shipment to a domestic user or processor, when the exemption is in the best interest of producers, grain merchants, the industry, and the public. The blending of grain products or byproducts with grain (except for vegetable oils used to suppress dust) is prohibited.

Insect Infestation

The Act requires the Administrator of the Federal Grain Inspection Service, not later than 6 months after the date of enactment, to issue a final rule revising grain inspection procedures and standards to more accurately reflect levels of insect infestation.

Grain premiums study

The Act requires the Secretary of Agriculture, in consultation with farmers and the grain industry, to study the feasibility of adjusting Commodity Credit Corporation grain premium and discount schedules to encourage the marketing of high quality grain. The Secretary would be required to report to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry on the results of the study within 180 days of the date of enactment.

Optional grain grading

The Act requires the Administrator of the Federal Grain Inspection Service to publish and seek comment on the proposals contained in H.R. 5354, the "Optimal Grain Grading Act of 1986." The Administrator is required to report to Congress by May 1, 1987, on the comments received and the Administrator's recommendations with respect to the proposals.

End-use test

The Act requires the Secretary of Agriculture to study the need for and availability of uniform end-use tests for grain. The Federal Grain Inspection Service would be directed to adopt the tests if they are found to be useful, available, and economically feasible. In addition, within 1 year of the date of enactment of this Act, the Administrator of the Federal Grain Inspection Service is required to report to Congress on the results of the study and any actions taken to adopt end-use tests. The Administrator is also required to report annually on the ongoing review of end-use tests.

Title IV -- Federal Meat Inspection

Temporary legislation

Title IV of the Futures Trading Act of 1986 amends the Federal Meat Inspection Act, but the changes are effective only for a 6-year period commencing on the date of enactment of the Futures Trading Act of 1986.

Responsibility of the Secretary

Under title IV, the Secretary is given the flexibility to determine the manner and frequency of meat inspections at meat processing establishments. The Secretary will make his decision on the manner and frequency of inspection at a specific establishment based on--

(1) the nature and frequency of processing operations at the establishment;

(2) the adequacy and reliability of processing controls and sanitary procedures at the establishment; and

(3) the history of compliance with inspection requirements under the Meat Inspection Act by the operator or anyone responsibly connected with the business that operates the establishment. Any person is deemed to be responsibly connected with the business if that person is a partner, officer, director, holder, or owner of 10 percent or more of its voting stock, or an employee in a managerial or executive capacity.

Inspection

Under title IV, the operators of the processing establishment, in addition to the Government meat inspectors, will have responsibilities for inspecting the meat food products produced at the establishment. All products found by the inspectors, if any, and by the operator of the establishment not to be adulterated must be marked, stamped, tagged, or labeled as "inspected and passed"; and all products found by any inspector or the operator to be adulterated must be marked, stamped, tagged, or labeled as "inspected and condemned". All condemned products must be destroyed for human food purposes.

The Secretary can suspend inspection at, and thereby remove inspectors from, any establishment that fails to condemn adulterated meat food products or fails to destroy condemned meat food products. For purposes of any examination and inspection, inspectors must have access to every part of an establishment at all times, day or night, and without regard to whether the establishment is operated.

Temporary orders

Under title IV, a Federal district court sentencing an individual convicted of (1) certain acts of intentional adulteration of food, (2) adulteration of food with intent to defraud, (3) bribery, or (4) extortion must issue a temporary order forbidding the individual to exercise operational control of, or to be physically present at, any establishment requiring inspection, if the court finds that the exercise of operational control by, or the presence of, the individual at the establishment (1) poses a direct and substantial threat to public health or safety or, (2) if the individual is convicted of a felony involving the adulteration of food with the intent to defraud, poses a clear likelihood of significant economic harm to consumers.

The temporary order must terminate on the earlier of (1) the point at which the Secretary determines by order, after a hearing on the record, whether the individual should exercise operational control of, or be physically present at, any establishment requiring inspection, and judicial review, if any, of the determination is completed; or (2) 90 days after the issuance of the temporary order by the court, if the Secretary does not commence a hearing on the court's determination within 90 days. Any proceeding of the Secretary associated with the court's temporary order is subject to judicial review in a court of appeals.

Civil actions

Under title IV, the Secretary of Agriculture may commence a civil action in an appropriate court to withdraw inspection service with respect to any establishment or to prevent any individual responsibly connected with any business requiring inspection from exercising operational control of, or being present at, any establishment requiring inspection.

If the court finds, on the basis of clear and convincing evidence, that the recipient of inspection service or the individual connected with the recipient has repeatedly failed to comply with the requirements of the Meat Inspection Act, or the regulations thereunder, in a manner that poses a direct and substantial threat to public health or safety, the court must issue an order withdrawing inspection at the establishment or forbidding the individual to exercise operational control of, or to be physically present at, the establishment for a period that the court deems necessary to carry out the purposes of the Meat Inspection Act.

Not less than 90 days, and not more than 450 days, before commencing the civil action described above, the Secretary must give to each recipient of inspection service, and each individual responsibly connected with the business, with respect to which such action is to be commenced, written notice that includes a statement that the Secretary intends to commence the action, a comprehensive description of the violations of the Meat Inspection Act and the regulations thereunder alleged by the Secretary, and a description of the actions the Secretary considers necessary to be taken by such recipient or individual to comply with the Meat Inspection Act and to eliminate the need to commence the civil action.

Withdrawal of inspection services

Under title IV, the Secretary may temporarily withdraw inspection service from any establishment for a period necessary to ensure the safe and effective performance of official duties under the Meat Inspection Act if the Secretary determines, after an opportunity for a hearing on the record, that an officer, employee, or agent of the establishment threatened to forcibly assault, forcibly assaulted, forcibly intimidated, or forcibly interfered with an employee of the United States engaged in, or on account of, the performance of any official duty.

Temporary suspension

Under title IV, the Secretary has authority to temporarily suspend inspection service at any establishment, pending an expedited administrative hearing on the record, if the Secretary determines that temporary suspension of inspection service is necessary for the safety of any employee who performs official duties under the Meat Inspection Act. If the Secretary receives, before or after temporarily suspending such inspection service, adequate written assurances from the recipient of inspection service, or the individuals involved, that the conduct or circumstances that threatened the safety of the employee will not continue or recur, the Secretary may continue or restore inspection service on condition that the assurances are fulfilled.

Secretarial discretion

Title IV provides that, in determining whether the public interest could be adequately served by a written notice of warning, in lieu of criminal prosecution, the Secretary must take into account, among other factors--

(1) the compliance history of the establishment;
(2) the magnitude of the violation;
(3) whether compliance with the Meat Inspection Act likely would be obtained as a result of the notice; and
(4) whether the violation is of a minor or technical nature.

Notice

Title IV provides that, unless the Secretary by regulation provides otherwise, before any violation of the Meat Inspection Act is reported by the Secretary for criminal prosecution, the Secretary must give the person alleged to have committed the violation reasonable notice that the Secretary intends to report such violation for prosecution and an opportunity to present to the Secretary, orally or in writing, views with respect to the proceeding.

Congressional resolution on detection of residues

Title IV provides that it is the sense of Congress that the Secretary of Agriculture should carry out a program to detect residues in livestock that are subject to inspection and evaluate the feasibility of, and develop, a program that would enable the

Secretary to trace any particular livestock that are subject to inspection to identify the producer of the livestock.

Report to Congress

Title IV provides that, not later than 1 year after the date of enactment of the Futures Trading Act of 1986 and annually thereafter, the Secretary of Agriculture must submit to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry a report describing any action proposed or taken by the Secretary--

(1) to implement the amendments made by title IV;

(2) to carry out a program to detect residues in livestock that are subject to inspection under the Meat Inspection Act;

(3) to evaluate the feasibility of, and develop, a program that would enable the Secretary to trace any particular livestock that are subject to inspection in order to identify the producer of the livestock; and

(4) to minimize any adverse economic effect of the amendments made by title IV on employees of the Department of Agriculture.

Other Legislation Enacted into Law

Food Security Act of 1985, Amendments

Public Law 99-253--An Act to make certain technical corrections to amendments made by the Food Security Act of 1985, and for other purposes.

This Act (approved February 28, 1986) made certain technical corrections to amendments made by the Food Security Act of 1985 (Public Law 99-198). The Act authorized, instead of required as under the Food Security Act, the Secretary of Agriculture to require, as a condition of eligibility of producers on a farm for loans, purchases, or payments, for the 1986 through 1990 crops of wheat and feed grains, that the acreage planted for harvest on the farm to any other commodity for which an acreage limitation program is in effect not exceed the crop acreage base for that commodity. The Act also corrected the procedures for establishing Agricultural Stabilization and Conservation Community Committees.

Food Security Improvements Act of 1986

Public Law 99-260--An Act Entitled the "Food Security Improvements Act of 1986".

This Act (approved March 20, 1986) also amended the Food Security Act of 1985. This Act:

--For 1986 program crops, provides that producers will be compensated with Commodity Credit Corporation commodities for any reduction in their total return if the amount of such reduction is more than 3 percent of their program payment yield for 1985. For the 1987 crops, compensation will be made for any reduction of more than 5 percent. Also, a limit of 10 percent is placed on the amount by which the program payment yield for the 1986 crops can be reduced for the purpose of determining yields for crop years 1988 and beyond.

--Requires that the Gramm-Rudman-Hollings reduction in outlays for fiscal year 1986 for the dairy program be met through an increase in the producer assessment of not more than 12 cents per hundredweight.

--Reduces the mandatory funding for the Targeted Export Assistance Program to $110 million annually for fiscal years 1986-88, but retains the required annual funding of $325 million for fiscal years 1989-90.

--Reduces the amount of Commodity Credit Corporation commodities required to be used under the Export Enhancement Program from $2 billion to $1 billion. Provides that up to $1.5 billion in commodities may be used under the Export Enhancement Program in fiscal years 1986-88.

--Sets the salary level for the Special Assistant for Agricultural Trade and Food Assistance at not less than Executive Level III and requires appointment not later than May 1, 1986.

--Allows wheat and feed grain producers to harvest hay from and graze set-aside acreage during at least five of the principal growing months of the 1986 crop.

--Allows production of nonprogram crops, without loss of base, on up to one-half of permitted acreage in 1986 and 1987. Reduces the base protection, as a percentage of permitted acreage to 35 percent in 1988, 20 percent in 1989, and 0 in 1990. No deficiency payments may be based on this production.

--Requires the Secretary of Agriculture to hold hearings and to implement a marketwide service payment plan to allow dairy cooperatives to receive compensation for processing non-member milk and for providing other services of marketwide benefit.

--Authorizes the Commodity Credit Corporation (CCC) to export surplus agricultural commodities of up to $30 million annually to enable CCC to finance research and development of external combustion engines using fuel other than that derived from petroleum and petroleum products.

--Lengthens the time period for the completion of studies of quality control systems used in the administration of the food stamp program.

--Requires the Administrator of the Agency for International Development to submit a plan, by April 15, 1986, for the use of reserve funds for African famine relief and rehabilitation.

--Requires determination and announcement prior to March 31, 1986, of the amount of Commodity Credit Corporation uncommitted stocks to be made available under section 416 of the Agricultural Act of 1949 in fiscal year 1986.

--Allows federally licensed warehousemen to transfer stored agricultural commodities to other licensed warehouses, subject to terms and conditions set by the Secretary of Agriculture.

--Expresses the sense of Congress that the Secretary of Agriculture should make advance recourse loans to producers of a commodity who are unable to obtain sufficient credit elsewhere to finance the production of the 1986 crop.

Rural Industrial Assistance Act of 1986

Public Law 99-409--An Act to authorize the Secretary of Agriculture to make grants for the purpose of establishing institutes of rural technology development.

This Act (approved August 28, 1986) authorizes the Secretary of Agriculture to make grants for the purpose of establishing centers of rural technology development for the improvement of the economic condition of rural areas.

Research Facility

Public Law 99-594--An Act to authorize the construction by the Secretary of Agriculture of a salinity laboratory at Riverside, California.

This Act authorizes the appropriation of such sums as may be necessary for the planning, construction, and acquisition of a salinity laboratory to be located at Riverside, California, notwithstanding the limitations on appropriations for such research facilities that are contained in section 1431 of the Food Security Act of 1985.

Wilderness Legislation

Public Law 99-490--An Act to designate certain lands in the Cherokee National Forest in the State of Tennessee as wilderness areas, and for other purposes.

This Act (approved on October 16, 1986) designates certain specified lands in the Cherokee National Forest in the State of Tennessee as wilderness and as components of the National Wilderness Preservation System. The Secretary of Agriculture must administer these lands as wilderness under the terms of the Wilderness Act. The Act also addresses the effects of the second roadless area review and evaluation program (RARE II) on the lands specified as wilderness in this Act and terminates the designations of the Little Frog Wilderness Study Area and the Big Frog Study Area.

Public Law 99-584--An Act to adjust the boundaries of areas of the National Wilderness Preservation System in the State of Texas.

This Act modifies the boundaries of the wilderness areas designated by the Texas Wilderness Act and requires that these wilderness areas be included in the national forest system and be administered under the laws and regulations applicable to national forest wilderness areas. Livestock grazing on the wilderness areas, where established prior to the date of enactment of this Act, will be permitted to continue, subject to regulation by the Secretary of Agriculture.

Public Law 99-555--An Act to designate certain National Forest System lands in the State of Georgia to the National Wilderness Preservation System, and for other purposes.

This Act designates certain specified lands within the Chattahoochee National Forest, Georgia, as wilderness and as components of the National Wilderness Preservation System. The Secretary of Agriculture must administer these designated lands under the provisions of the Wilderness Act that are applicable to such lands.

Private Laws

For the Relief of Betsy L. Randall

This Act (Private Law 99-4, approved August 8, 1986) relieved Betsy L. Randall of the obligation to repay the United States $532.82 that was expended in connection with employment relocation expenses.

Ms. Randall had been offered and had accepted a position with the United States Department of Agriculture Forest Service in Asheville, North Carolina. She was mistakenly advised that, in accepting this position, she would be entitled to reimbursement by the United States for relocation expenses. Ms. Randall retained $571.82 of a travel authorization and advance to cover her relocation expenses. Subsequently, the Forest Service rescinded the job offer to Ms. Randall. However, no legal authority existed to reimburse Ms. Randall for her full relocation expenses. This Act relieved Ms. Randall of the obligation to repay the United States $532.82 for these relocation expenses. The Department of Agriculture recommended enactment of the bill.

For the Relief of Joe Herring

This Act (Private Law 99-13, approved August 28, 1986) directed the Secretary of the Treasury to pay Joe Herring the fair market value (up to $200,000), as determined by the Secretary of Agriculture, of his property which was sold through a foreclosure proceeding brought by the Farmers Home Administration in 1975. The Farmers Home Administration did not follow its usual procedures with respect to the bidding at the foreclosure sale. The Department of Agriculture recommended enactment of the bill.

Other Legislation Considered by the Committee

S. 2792--The Federal Insecticide, Fungicide and Rodenticide Act Amendments of 1986.

The Committee devoted 2 days of hearings and 3 days of markup to S. 2792. This bill constituted a comprehensive revision of the Federal law regulating the sale and use of pesticides. The cornerstone of the legislation was new requirements for the reregistration of pesticides. Other important provisions included in the legislation were public access to data, farmer liability for pesticide use, avoidance of pesticide contamination of ground water, national uniform tolerances for pesticide residues, and patent term resotration for pesticide products. The bill was considered by the full Senate on October 6, 1986 and amended by the House of Representatives on October 16, 1986. However, due to the desire for further debate on several issues in the bill, the Senate could not complete consideration of the legislation prior to sine die adjournment.

H.R. 7--School Lunch and Child Nutrition Amendments of 1985

The School Lunch and Child Nutrition Amendments of 1985 would reauthorize the major Federal child nutrition programs, including the School Lunch and Breakfast Programs, the Special Supplemental Food Program for Women, Infants, and Children, commonly known as the WIC Program, and the Commodity Distribution Program.

A conference was held between the Senate Committee on Agriculture, Nutrition, and Forestry and the House Committee on Education and Labor to reconcile amendments to the School Lunch and Child Nutrition Amendments of 1985 (H.R. 7). Although the conference was not completed, the provisions from the School Lunch and Child Nutrition Amendments of 1985 were included in H.J. Res. 738, making continuing appropriations for the fiscal year 1987 (Public Law 99-591), and in S. 2638, the National Defense Department Authorization Act of 1986 (Public Law 99-661).

S. 1577--To transfer title, control, and custody of certain lands near Aiken, South Carolina from the United States Department of Agriculture to the United States Department of Energy.

The bill would transfer approximately 6,021 acres of Department of Agriculture Forest Service land to the Department of

Energy for use, among other things, as a security buffer zone for the Department of Energy's Savannah River plant near Aiken, South Carolina.

The Committee on Agriculture, Nutrition, and Forestry was discharged from further consideration of the bill on October 6, 1986. The bill passed the Senate on October 6, 1986 and was subsequently referred to the House Committee on Agriculture on October 7, 1986.

S. 2721--To amend the Agricultural Act of 1949 to modify cross compliance requirements for producers of extra long staple cotton, and for other purposes.

The bill contained provisions relating to extra-long staple (ELS) cotton and county Agricultural Stabilization and Conservation (ASC) committees which were identical to the provisions on those subjects that were included in the Futures Trading Act of 1986. Please consult the description of those subjects in the description of the Futures Trading Act of 1986.

Other Legislation in Which the Committee Had an Interest

Fiscal Year 1987 Budget Reconciliation

One of the most significant activities undertaken by the Committee on Agriculture, Nutrition, and Forestry during the second session of the 99th Congress was the fiscal year 1987 budget reconciliation (Public Law 99-509). The Committee acted to make savings of $2,676,000,000 over fiscal years 1987, 1988, and 1989. The specific amounts are as follows:

Fiscal Year	Savings
1987	1,797,000,000
1988	442,000,000
1989	437,000,000
Total	$ 2,676,000,000

Sales from the Rural Development Insurance Fund

The Committee achieved these savings by requiring the nonrecourse sale of notes and other obligations from the Rural Development Insurance Fund in such amounts as to realize net proceeds to the Government of not less than--

(1) $1,000,000,000 during fiscal year 1987;
(2) $552,000,000 during fiscal year 1988; and
(3) $547,000,000 during fiscal year 1989.

The statutory terms in the Consolidated Farm and Rural Development Act requiring Rural Development Insurance Fund borrowers to seek and obtain other financing if they are financially able to do so cannot be enforced by the subsequent purchasers of the notes. All purchasers of these notes must demonstrate (1) the ability or resources to provide servicing of the loans represented by the notes in order to ensure their continued performance, and (2) the ability to generate capital to provide such additional credit as may be necessary to properly service the loans.

The Committee clarified current law to ensure that institutions of the Farm Credit System, along with other institutions in the private sector, will be eligible to purchase the notes and obligations sold from the Rural Development Insurance Fund and, for fiscal years 1987-1989, forbade the sale of notes from the Agricultural Credit Insurance Fund without prior approval by Congress.

Prepayment of loans

The Committee's legislative proposals to achieve necessary savings also required the Administrator of the Rural Electrification Administration ("REA") to permit the prepayment, without penalty, of loans obtained from the Federal Financing Bank and guaranteed by the REA in such amounts as to realize net proceeds in fiscal year 1987 of not less than $2,017,500,000. The Administrator may permit prepayments in subsequent fiscal years if the Secretary of the Treasury determines that such prepayments will not adversely affect the operation of the Federal Financing Bank. The Administrator must also establish criteria to ensure that the benefits accruing from the prepayment of these loans are directed to those cooperative borrowers in greatest need.

The Committee's legislative proposals also authorized the prepayment of direct or insured loans made under the Rural Electrification Act of 1936 at the lesser of (1) the outstanding principal balance due on the loan or (2) the loan's present value to a purchaser. This provision expires on September 30, 1987; thereafter, such loans must be sold or prepaid at their face value.

Advance deficiency payments

The Committee's legislative proposals also required the Secretary of Agriculture to make advance deficiency payments available for the 1987 crops of wheat, feed grains, upland cotton, and rice in amounts not less than 40 percent for wheat and feed grains and 30 percent for upland cotton and rice.

Farm Credit System

The Committee's legislative proposals also made changes to the Farm Credit Act of 1971. Under these changes--

(1) effective for the period ending December 31, 1988, the banks of the Farm Credit System are empowered, subject to prior approval and under conditions set by the Farm Credit Administration, to reduce their cost of funds by refinancing their long-term debt and capitalizing the excess interest cost on this debt. The costs involved can be amortized by the banks over a period of up to 20 years.

(2) effective for the period July 1, 1986 through December 31, 1988, the banks of the Farm Credit System are empowered, subject to prior approval and under conditions set by the Farm Credit Administration, to capitalize annually their provision for losses that is in excess of one-half of 1 percent of outstanding loans and amortize the capitalized amount over a period of up to 20 years.

(3) Farm Credit System institutions will have the authority to set interest rates on loans to system borrowers at levels competative with other private lenders, subject to the Farm Credit Administration's authority to oversee the financial soundness of the institutions.

Nominations

The following executive nominees were considered by the Committee and subsequently confirmed by the full Senate:

John William Bode, of Oklahoma, to be a Member of the Board of Directors of the Commodity Credit Corporation; confirmed by the Senate on March 27, 1986.

Richard E. Lyng, of Virginia, to be Secretary of Agriculture; confirmed by the Senate on March 6, 1986.

Christopher Hicks, of Maryland, to be General Counsel of the U.S. Department of Agriculture; confirmed by the Senate on June 6, 1986.

Frank Naylor, Jr., of Virginia, to be a Member of the Farm Credit Administration Board, Farm Credit Administration, for a term of 6 years; confirmed by the Senate on May 21, 1986.

Marvin Duncan, of Missouri, to be a Member of the Farm Credit Administration Board, Farm Credit Administration, for a term of 4 years; confirmed by the Senate on May 21, 1986.

Peter C. Myers, of Missouri, to be Deputy Secretary of Agriculture; confirmed by the Senate on June 3, 1986.

George S. Dunlop, of North Carolina, to be Assistant Secretary for Natural Resources and Environment, U.S. Department of Agriculture; confirmed by the Senate on June 6, 1986.

Kalo A. Hineman, of Kansas, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring June 19, 1991; confirmed by the Senate on July 24, 1986.

Kenneth A. Gilles, of Virginia, to be Assistant Secretary for Marketing and Inspection Services, U.S. Department of Agriculture; confirmed by the Senate on July 24, 1986.

Kenneth A. Gilles, of Virginia, to be a Member of the Board of Directors of the Commodity Credit Corporation; confirmed by the Senate on July 24, 1986.

Robert W. Bueley, of Virginia, to be Inspector General, U.S. Department of Agriculture; confirmed by the Senate on August 11, 1986.

W. Kirk Miller, of Wisconsin, to be Administrator of the Federal Grain Inspection Service; confirmed by the Senate on October 8, 1986.

Jim R. Billington, of Oklahoma, to be a Member of the Farm Credit Administration Board, Farm Credit Administration, for a term of 2 years; confirmed by the Senate on October 8, 1986.

Peter C. Myers, of Missouri, to be a Member of the Board of Directors of the Commodity Credit Corporation; confirmed by the Senate on October 15, 1986.

Watershed Projects

Lower Silver Creek Watershed, CA.
May 18, 1984.--Submitted to Senate.
June 6, 1984.--Referred to Committee.
October 6, 1986.--Approved by Committee.

Little Whiteside-Cranberry Creek Watershed, W.VA.
May 18, 1984.--Submitted to Senate.
June 6, 1984.--Referred to Committee.
October 6, 1986.--Approved by Committee.

Big Creek-Hurricane Creek Watershed, MO.
July 29, 1986.--Submitted to Senate and referred to Committee.
October 6, 1986.--Approved by Committee.

South Fork Watershed, KS.
July 29, 1986.--Submitted to Senate and referred to Committee.
October 6, 1986.--Approved by Committee.

Hearings

Legislative

Reauthorization of the Commodity Futures Trading Commission (S. 2045)--Full Committee--Feb. 19 and 20, 1986.

To Amend the United States Grain Standards Act (S. 1121)--Subcommittee on Rural Development, Oversight, and Investigations--Apr. 24, 1986.

To Amend the Federal Insecticide, Fungicide, and Rodenticide Act--Full Committee--Apr. 22 and 30, 1986.

Tennessee Wilderness Act of 1986 (S. 2685) and the Sipsey Wild and Scenic River and Sipsey Wilderness Addition Act (S. 2782)--Subcommittee on Agricultural Research, Conservation, Forestry, and General Legislation--Sept. 25, 1986.

Michigan Wilderness Act of 1986 (S. 1767), Georgia Wilderness Act of 1986 (S. 2838) and the Texas Wilderness Act Amendments of 1986 (S. 2563)--Subcommittee on Agricultural Research, Conservation, Forestry, and General Legislation--Oct. 2, 1986.

Oversight

FmHA Loan Servicing Regulations and a GAO Report on FmHA's Farm Loan Portfolio--Full Committee--January 30, 1986.

International Agricultural Trade Negotiations in the Mid-1980's--Full Committee--Sacramento, CA--Apr. 2, 1986.

To Examine the Effects of the European Community Enlargement on U.S. Agricultural Exports--Full Committee--May 6, 1986.

Possible Impact on Agriculture of the Explosion of the Nuclear Plant at Chernobyl--Full Committee--May 15, 1986.

Preparing for the GATT: A Review of Agricultural Trade Issues--Subcommittee on Foreign Agricultural Policy.
    June 3, 1986.--Prospects for World Food Production (Short-term and Long-term).
    June 17, 1986.--Market Development and the Activities of the National Commission on Agricultural Trade and Export Policy.
    July 22, 1986.--Market Access and Export Subsidies Around the World-Barriers to Agricultural Trade.
    July 29, 1986.--To Examine the Impact of the Food Security Act of 1985 on Agricultural Trade.
    Aug. 5, 1986.--Prospects for Agriculture in the GATT Negotiations.

U.S. Food Aid Programs and World Hunger--Subcommittee on Foreign Agricultural Policy.
    July 15, 1986.--Overview of U.S. Food Aid Programs and World Hunger.
    Aug. 14, 1986.--Humanitarian Role of Food Aid Program.
    Sept. 16, 1986.--Use of Food Aid for Economic Growth and Market Development.

Review of the Implementation of the Food Security Act of 1985--Full Committee--Lincoln, NE--Aug. 28, 1986.

To Discuss the Current Financial Condition of the Farm Credit System--Full Committee--Sept. 17, 1986.

A Review of the Implications for Agricultural Trade Arising Out of the GATT Ministerial Meetings at Punta del Este, Uruguay--Subcommittee on Foreign Agricultural Policy--October 8, 1986.

United States/Japanese Rice Trade--Full Committee--October 21, 1986--Sacramento, CA.

Nominations

Nominations of Frank Naylor, Jr., of Virginia, and Marvin Duncan, of Missouri, to be Members of the Farm Credit Administration Board, Farm Credit Administration.--Full Committee--May 15, 1986.

Nominations of Peter C. Myers, of Missouri, to be Deputy Secretary of Agriculture and Christopher Hicks, of Maryland, to be General Counsel, U.S. Department of Agriculture--Full Committee--May 21, 1986.

Nomination of George S. Dunlop, of North Carolina, to be Assistant Secretary for Natural Resources and Environment, U.S. Department of Agriculture--Full Committee--June 5, 1986.

Nominations of Kalo A. Hineman, of Kansas, to be a Commissioner of the Commodity Futures Trading Commission; Kenneth A. Gilles, of Virginia, to be Assistant Secretary for Marketing and Inspection Services; Kathleen W. Lawrence, of Virginia, to be Under Secretary of Agriculture for Small Community and Rural Development; and Robert W. Bueley, of Virginia, to be Inspector General, Department of Agriculture--Full Committee--June 18, 1986.

Nomination of Walker Kirk Miller, of Wisconsin, to be Administrator of the Federal Grain Inspection Service, U.S. Department of Agriculture--Full Committee--Sept. 10, 1986.

Nomination of Jim R. Billington, of Oklahoma, to be a Member of the Farm Credit Administration Board, Farm Credit Administration--Full Committee--Sept. 24, 1986.

COMMITTEE ON APPROPRIATIONS

I. Membership

Twenty-nine members of the Senate served on the Committee on Appropriations during the 99th Congress under the leadership of Mark O. Hatfield, Chairman of the Committee, and John C. Stennis, the Committee's Ranking Member.

UNITED STATES SENATE
COMMITTEE ON APPROPRIATIONS

NINETY-NINTH CONGRESS

MARK O. HATFIELD, *Oregon*, Chairman
TED STEVENS, *Alaska*
LOWELL P. WEICKER, JR., *Connecticut*
JAMES A. MCCLURE, *Idaho*
PAUL LAXALT, *Nevada*
JAKE GARN, *Utah*
THAD COCHRAN, *Mississippi*
MARK ANDREWS, *North Dakota*
JAMES ABDNOR, *South Dakota*
ROBERT W. KASTEN, JR., *Wisconsin*
ALFONSE M. D'AMATO, *New York*
MACK MATTINGLY, *Georgia*
WARREN RUDMAN, *New Hampshire*
ARLEN SPECTER, *Pennsylvania*
PETE V. DOMENICI, *New Mexico*

JOHN C. STENNIS, *Mississippi*, Ranking
ROBERT C. BYRD, *West Virginia*
WILLIAM PROXMIRE, *Wisconsin*
DANIEL K. INOUYE, *Hawaii*
ERNEST F. HOLLINGS, *South Carolina*
LAWTON CHILES, *Florida*
J. BENNETT JOHNSTON, *Louisiana*
QUENTIN N. BURDICK, *North Dakota*
PATRICK J. LEAHY, *Vermont*
JIM SASSER, *Tennessee*
DENNIS DECONCINI, *Arizona*
DALE BUMPERS, *Arkansas*
FRANK R. LAUTENBERG, *New Jersey*
TOM HARKIN, *Iowa*

II. Jurisdiction

Under Rule XXV of the Standing Rules of the Senate, the Committee on Appropriations has jurisdiction over all proposed legislation, petitions, memorials, and other matters relating to the following subjects:

1. Appropriation of the revenue for the support of the Government, except as provided in subparagraph (e) [relating to the jurisdiction of the Committee on the Budget].

2. Rescission of appropriations contained in appropriations Acts (referred to in section 105 of title 1, United States Code).

3. The amount of new spending authority described in section 401(c)(2) (A) and (B) of the Congressional Budget Act of 1974 which is to be effective for a fiscal year.

4. New spending authority described in section 401(c)(2)(C) of the Congressional Budget Act of 1974 provided in bills and resolutions referred to the committee under section 401(b)(2) of that Act (but subject to the provisions of section 401(b)(3) of that Act).

III. Legislative Overview

The Committee on Appropriations faced and met new and ever-increasing challenges during the course of the 99th Congress.

The Committee not only fulfilled its basic charge to provide funds for the various programs and activities of the federal government, but did so within the overall budgetary resources allocated to it.

During the first session of the 99th Congress, the Committee considered and reported five appropriations measures related to fiscal year 1985, including a general supplemental appropriations measure, and fifteen appropriations measures for the fiscal year 1986.

It was not until September of 1985 that the Committee received its guidance on the fiscal year 1986 overall budgetary allocations for programs and activities under its jurisdiction. Unfortunately, none of the thirteen regular appropriations bills were enacted prior to the start of the fiscal year. The Committee did succeed in reporting to the Senate all thirteen regular appropriations bills, and ten of these bills were eventually passed by the Senate. Of these, six subsequently became law. These included the Commerce-Justice-State and the Judiciary, Energy and Water Development, HUD-Independent Agencies, Labor-HHS-Education, Legislative Branch, and Military Construction appropriations Acts. All remaining fiscal year 1986 appropriations bills were covered for the full fiscal year under a Further Continuing Resolution signed into law on December 19, 1986 (P.L. 99-190). Final action on all fiscal year 1986 measures yielded appropriations within the total allocation of budget authority to the Committee under the Fiscal Year 1986 Budget Resolution.

During the second session of the 99th Congress, an unprecedented level of expenditure stringency, with consequent procedural restrictions, was placed on the appropriations process under the requirements of the new Gramm-Rudman-Hollings law.

The Committee first faced this new challenge in providing for urgent supplemental appropriations for the fiscal year 1986. Spending actions of the Congress for that fiscal year allowed no room to provide the needed appropriations, forcing the Committee to produce a measure which offset the additional outlay impact of the additional spending recommended by reductions yielding at least an equivalent amount of outlay savings in order to prevent the measure, in the aggregate, from increasing the fiscal year 1986 deficit. The Urgent Supplemental Appropriations bill for fiscal year 1986 reported by the Committee, which became law (P.L. 99-349), complied with these constraints, meeting the deficit-neutrality requirement in toto.

For fiscal year 1987, the Committee succeeded in reporting all thirteen regular appropriations bills within their 302(b) allocations in both budget authority and outlays pursuant to the Budget Act, as amended by the new Gramm-Rudman-Hollings law. Action on these fiscal year 1987 appropriations bills prior to mid-July was precluded by the fact that the appropriations process cannot proceed until Congress has adopted the budget resolution for the relevant fiscal year and the Committee has made its allocations to subcommittees of the total budget authority and outlays assigned to it under that resolution.

It was not until July 14, 1986, that the Committee received its overall budget levels for programs and activities under its jurisdiction pursuant to the concurrent resolution on the budget for fiscal year 1987 (S. Con. Res. 120). The Committee filed its 302(b) report, making allocations of those totals to its subcommittees on July 29 (Senate Report 99-346). A revised report (Senate Report 99-540) was filed by the Committee on October 16 under the authority of section 302(e) of the Congressional Budget Act of 1974, as amended, revising the subcommittees' allocations in keeping with the final spending decisions made by the Congress for fiscal year 1987.

As in previous years, prolonged delays in the consideration of budget legislation and a very heavy legislative schedule prevented the enactment of the thirteen regular appropriations bills for fiscal year 1987. The Committee did succeed in reporting all thirteen separate measures. The Senate was able to consider and pass six of these: the Military Contruction, Legislative Branch, Interior, Labor-HHS-Education, Transportation, and HUD-Independent Agencies appropriations Acts. The Senate was able to express its will on the remaining appropriations measures during consideration of the Fiscal Year 1987 Continuing Resolution. The Continuing Resolution for fiscal year 1987 (H.J. Res. 738), enacted into law, provides full-year funding for all thirteen regular appropriations bills and is the largest single spending measure ever considered by the Congress. Not only does this measure provide funding for the programs and activities covered by each of the regular thirteen bills -

within the total budget authority and outlay levels to the Committee under the Fiscal Year 1987 Budget Resolution, but it also accommodates $1.7 billion in supplemental appropriations for drug enforcement, education, and control within these totals.

For fiscal year 1987, the Committee provided appropriations totaling $557.3 billion, $8.3 billion below the total recommended by the President.

For the most part, the responsibilities of the Committee on Appropriations are carried out through its thirteen subcommittees. These subcommittees, in turn, report their recommendations to the full Committee.

During the 99th Congress, the full Committee conducted two budget overview hearings on each of the fiscal year 1986 and 1987 budgets. The thirteen subcommittees conducted a total of 349 days of budget and special hearings in the 99th Congress, receiving testimony from hundreds of government and non-government witnesses each session.

The following is a tabular display of the appropriations actions of the Committee during the first and second sessions of the 99th Congress.

APPROPRIATIONS MEASURES, FIRST SESSION, NINETY-NINTH CONGRESS

[As of December 31, 1985]

Measure or subcommittee	Bill and report(s)	Report filed	House full committee	House floor	Senate sub-committee	Senate full committee	Senate floor	Conference report	Law approved	Public law
1985 Emergency Famine Relief and Recovery in Africa.	H.R. 1239 H. Rpt. 99–2 H. 99–2 Pt. 2 S. Rpt. 99–8 H. Rpt. 99–29	Feb 21 Feb 25 Mar 5 Mar 27	Feb 21	Feb 28		Mar 5	Mar 20	Mar 27 H: Apr 2 S. Apr 2	Apr 4	99–10
1985 Emergency Agricultural Credit.	H.R. 1180 H. Rpt. 99–1	Feb 21	Feb 21	Feb 28						
1985 Section 2901 rescission bill.	S. 469 S. Rpt. 99–7	Mar 5				Mar 5				
1985 Obligation of funds for Mx procurement.	H.J. Res. 181 H. Rpt. 99–22	Mar 20	Mar 20	Mar 28			Mar 28		Apr 4	99–18
	S. J. Res. 75 S. Rpt. 99–14	Mar 20				Mar 20	Mar 20			
1985 Urgent (CCC)	H.J. Res. 342			Jul 18			Jul 19		Jul 24	99–71
1985 Supplemental Appropriations.	H.R. 2577 H. Rpt. 99–142 S. Rpt. 99–82 H. Rpt. 99–239	May 22 Jun 13 Jul 29	May 21	Jun 12		Jun 13	Jun 20	Jul 26 H: Jul 31 S: Aug 1 H: Aug 1	Aug 15	99–88
1985 Obligation of funds for Contras.	H.J. Res. 239	NA	Apr 18	Apr 23 Defeated						
	S.J. Res. 106 S. Rpt. 99–33	Apr 18				Apr 18	Apr 23			
Agriculture	H.R. 3037 H. Rpt. 99–211 S. Rpt. 99–137 H. Rpt. 99–439	Jul 18 Sep 24 Dec 12	Jul 18	Jul 24	Sep 19	Sep 24	Oct 16	Dec 11		
Commerce-Justice-State-Judiciary.	H.R. 2965 H. Rpt. 99–197 S. Rpt. 99–150 H. Rpt. 99–414	Jul 11 Oct 4 Dec 4	Jul 11	Jul 17	Sep 26	Oct 3	Nov 1	Dec 4 H: Dec 5 S: Dec 6	Dec 13	99–180
Defense	H.R. 3629 H. Rpt. 99–332 S. Rpt. 99–176	Oct 24 Nov 6	Oct 24	Oct 30	Oct 30	Nov 5				
District of Columbia	H.R. 3067 H. Rpt. 99–223 S. Rpt. 99–134 H. Rpt. 99–419	Jul. 24 Sep. 9 Dec. 5	Jul 24	Jul 30	Jul 25	Jul 31	Nov 7	Dec 5		
Energy and Water Development.	H.R. 2959 H. Rpt. 99–195 S. Rpt. 99–110 H. Rpt. 99–307	Jul 10 Jul 25 Oct 9	Jul 10	Jul 16	Jul 23	Jul 25	Aug 1	Oct 9 H: Oct 17 S: Oct 17	Nov 1	99–141
Foreign Assistance	H.R. 3228 H. Rpt. 99–252	Aug 1	Aug 1							
	S. 1816 S. Rpt. 99–167	Oct. 31			Oct 29	Oct 31				
HUD-Ind. Agencies	H.R. 3038 H. Rpt. 99–212 S. Rpt. 99–129 H. Rpt. 99–363	Jul 18 Aug 28 Nov 8	Jul 18	Jul 25	Jul 30	Jul 31	Oct 18	Nov 7 H: Nov 13 S: Nov 13	Nov 25	99–160
Interior	H.R. 3011 H. Rpt. 99–205 S. Rpt. 99–141	Jul 18 Sep 24	Jul 15	Jul 31	Sep 19	Sep 24	Dec 4 Tabled			
Labor-HHS-Education	H.R. 3424 H. Rpt. 99–289 S. Rpt. 99–151 H. Rpt. 99–402	Sep 26 Oct 4 Nov. 21	Sep 26	Oct 2	Sep 19	Oct 3	Oct 22	Nov 20 H: Dec 5 S: Dec 6	Dec 12	99–178
Legislative Branch	H.R. 2942 H. Rpt. 99–194 S. Rpt. 99–111 H. Rpt. 99–321	Jul 10 Jul 25 oct 23	Jul 10	Jul 18		Jul 25	Jul 31	Oct 23 H: Oct 29 S: Oct 29	Nov 13	99–151
Military Construction	H.R. 3327 H. Rpt. 99–275 S. Rpt. 99–168 H. Rpt. 99–380	Sep 18 Oct 31 Nov 19	Sep 18	Oct 17	Oct 29	Oct 31	Nov 7	Nov 19 H: Nov 20 S: Nov 22	Dec 10	99–173
Transportation	H.R. 3244 H. Rpt. 99–256 S. Rpt. 99–152	Sep 5 Oct 4	Sep 5	Sep 12	Sep 26	Oct 3	Oct 23			
Treasury-Postal Service-General Government.	H.R. 3036 H. Rpt. 99–210 S. Rpt. 99–133 H. Rpt. 99–349	Jul 18 Sep 9 Oct 31	Jul 18	Jul 30	Jul 29	Jul 31	Sep 26	Oct 30 H: Nov 7 S: Nov 7	Vetoed Nov 15 See H. Doc. 99–103	
Continuing Resolution	H.J. Res. 388 H. Rpt. 99–272 S. Rpt. 99–142	Sep 17 Sep 24		Sep 18		Sep 24	Sep 25		Sep 30	99–103
Fur. Con. Res	H.J. Res. 441			Nov 12			Nov 13		Nov 14	99–154
Fur. Con. Res	H.J. Res. 476			Dec 12			Dec 12		Dec 13	99–179
Fur. Con. Res	H.J. Res. 491			Dec 17			Dec 17		Dec 17	99–184
Fur. Con. Res	H.J. Res. 465 H. Rpt. 99–403 S. Rpt. 99–210 H. Rpt. 99–443	Nov 21 Dec 6 Dec 16	Nov 21	Dec 4		Dec 5	Dec 10	Dec 16 H: Dec 16 Defeated		
	H. Rpt. 99–450	Dec 19						Dec 19 H: Dec 19 S: Dec. 19	Dec 19	99–190

APPROPRIATIONS MEASURES, SECOND SESSION, NINETY-NINTH CONGRESS

[As of October 21, 1986]

Measure or subcommittee	Bill and report(s)	Report filed	House			Senate			Conference report	Law approved	Public law
			Subcommittee	Full committee	Floor	Subcommittee	Full committee	Floor			
1986 Urgent (CCC)	H.J. Res. 520				Feb 6			Feb 6		Feb 10	99-243
1986 Urgent (CCC)	H.J. Res. 534 H. Rpt. 99-493 H. Rpt. 99-499	Mar 12 Mar 19			Feb 20		Mar 4	Mar 5	Mar 12 H: Mar 13 S: Mar 13 Mar 19 S: Mar 19 H: Mar 20	Mar 24	99-263
1986 Hazardous Substances.	H.J. Res. 727 H. Rpt. 99-830	Sep 16		Sep 16	Sep 18						
1986 Philippines Assistance.	H.J. Res. 732				Sep 18						
1986 Urgent Supplemental.	H.R. 4515 H. Rpt. 99-150 S. Rpt. 99-301 H. Rpt. 99-649	Mar 25 May 15 Jun 19		Mar 20	May 8 Apr 22 Rule defeated		May 15	Jun 6	Jun 18 H: Jun 24 S: Jun 26 H: Jun 26 S: Jun 26	Jul 2	99-349
Agriculture	H.R. 5177 H. Rpt. 99-686 S. Rpt. 99-438	Jul 16 Sep 11	Jun 18	Jul 15	Jul 24	Sep 9	Sep 11				
Commerce-Justice-State-Judiciary.	H.R. 5161 H. Rpt. 99-669 S. Rpt. 99-425	Jul 15 Sep 3	Jun 17	Jun 26	Jul 17	Aug 12	Aug 14				
Defense	H.R. 5438 H. Rpt. 99-793 S. 2827 S. Rpt. 99-446	Aug 14 Sep 17	Jul 31	Aug 14		Sep 11	Sep 16				
District of Columbia	H.R. 5175 H. Rpt. 99-675 S. Rpt. 99-367	Jul 15 Aug 5	Jun 25	Jul 15	Jul 24	Jul 30	Aug 5	Sep 16*			
Energy and Water Development.	H.R. 5162 H. Rpt. 99-670 Part 2 S. Rpt. 99-441	Jul 15 Jul 15 Sep 15	Jun 16	Jun 19	Jul 23	Aug 7	Aug 13				
Foreign Assistance	H.R. 5339 H. Rpt. 99-747 S. 2824 S. Rpt. 99-443	Aug 5 Sep 16	Jul 24	Jul 31		Sep 11	Sep 16				
HUD-Ind. Agencies	H.R. 5313 H. Rpt. 99-731 S. Rpt. 99-487 H. Rpt. 99-977	Jul 31 Sep 25 Oct 7	Jul 23	Jul 31	Sep 12	Sep 18	Sep 25	Oct 3	Oct 7		
Interior	H.R. 5234 H. Rpt. 99-714 S. Rpt. 99-397 H. Rpt. 99 1002	Jul 24 Aug 13 Oct 15	Jul 16	Jul 24	Jul 31	Aug 7	Aug 13	Sep 16	Oct 10		
Labor-HHS-Education	H.R. 5233 H. Rpt. 99-711 S. Rpt. 99-408 H. Rpt. 99-960	Jul 24 Aug 15 Oct 2	Jun 24	Jul 24	Jul 31	Aug 5	Aug 15	Sep 10	Oct 1		
Legislative Branch	H.R. 5203 H. Rpt. 99-693 S. Rpt. 99-384 H. Rpt. 99-805	Jul 17 Aug 7 Aug 15	Jun 19	Jul 17	Jul 29		Aug 7	Aug 13	Aug 15		
Military Construction	H.R. 5052 H. Rpt. 99-648 S. Rpt. 99-368	Jun 19 Aug 5	Jun 16	Jun 19	Jun 25	Jul 31	Aug 5	Aug 13			
Transportation	H.R. 5205 H. Rpt. 99-696 S. Rpt. 99-423 H. Rpt. 99-976	Jul 18 Aug 19 Oct 7	Jun 25	Jul 17	Jul 30	Aug 5	Aug 7	Sep 17	Oct 7		
Treasury-Postal Service-General Government.	H.R. 5294 H. Rpt. 99-723 S. Rpt. 99-406	Jul 30 Aug 14	Jul 17	Jul 30	Aug 6	Aug 12	Aug 14				
Continuing Resolution	H.J. Res. 730 H. Rpt. 99-831	Sep 17		Sep 16							
	H.J. Res. 738 S. Rpt. 99-500 H. Rpt. 99-1005	Sep 29 Oct 15			Sep 25		Sep 26	Oct 3	Oct 15 H: Oct 15 S: Oct 16 H: Oct 17	Oct 18	99-500
Continuing Resolution (Oct 1 to Oct 8).	H.J. Res. 743				Oct 1			Oct 1		Oct 1	99-434
Further Continuing Resolution (to Oct 10)	H.J. Res. 748				Oct 8			Oct 8		Vetoed Oct 9 See H.Dc. 99-277	
Further Continuing Resolution (to Oct 10)	H.J. Res. 750				Oct 8			Oct 8		Oct 9	99-464
Further Continuing Resolution (to Oct 15)	H.J. Res. 751				Oct 10			Oct 10		Oct 11	99-465
Further Continuing Resolution (to Oct 16)	H.J. Res. 753				Oct 15			Oct 16		Oct 16	99-483

*Passage on Aug 12 was vitiated on Aug 13.

BARRY GOLDWATER, ARIZONA, CHAIRMAN

STROM THURMOND, SOUTH CAROLINA
JOHN W. WARNER, VIRGINIA
GORDON J. HUMPHREY, NEW HAMPSHIRE
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JOHN GLENN, OHIO

JAMES F. McGOVERN, STAFF DIRECTOR AND CHIEF COUNSEL
ARNOLD L. PUNARO, STAFF DIRECTOR FOR THE MINORITY

United States Senate
COMMITTEE ON ARMED SERVICES
WASHINGTON, DC 20510-6050

October 31, 1986

Honorable Robert Dole
Majority Leader
United States Senate
Washington, D.C.

Dear Bob:

In response to your request of October 7, 1986, I am pleased to forward the Armed Services Committee's contribution to the year-end report of the Second Session of the Ninety-Ninth Congress.

I was happy to be of assistance to you in this matter.

Sincerely,

Barry

Barry Goldwater
Chairman

Attachment

COMMITTEE ON ARMED SERVICES
SUMMARY OF ACTIVITIES -- 1986

The Armed Services Committee's primary responsibility, under the able leadership of its chairman, Senator Barry Goldwater, is for matters relating to the common defense. The annual authorization process is the principal method by which the Committee reviews the policies, programs, and budget of the Department of Defense. The Committee's authority in this area encompasses weapons systems procurement and development, military manpower, civil defense, national security aspects of nuclear energy, military construction, and related matters.

In examining defense programs during the authorization process, the legislative and investigative functions of the Committee are often combined. The Committee examines planned changes in manpower, overall force structure, and major modernization initiatives in light of the perceived threat and present capabilities. The Committee emphasizes complying with the limitations of the Congressional budget resolution, relative to the threat and to current and projected capabilities.

The Committee's major accomplishments this year included enactment of the National Defense Authorization Act for Fiscal Year 1987, the Military Retirement Reform Act of 1986, and the Goldwater-Nichols Department of Defense Reorganization Act of 1986.

THE WORK OF THE SUBCOMMITTEES

The Subcommittees of the Senate Armed Services Committee play a vital part in the Committee's work. The Subcommittees are Military Construction, chaired by Senator Thurmond; Strategic and Theater Nuclear Forces, chaired by Senator Warner; Preparedness, chaired by Senator Humphrey; Sea Power and Force Projection, chaired by Senator Cohen; Manpower and Personnel, chaired by Senator Wilson; and Defense Acquisition Policy, chaired by Senator Quayle. The Subcommittees devoted many hours to examining the appropriate portions of the defense authorization request, greatly enhancing the full Committee's ability to make constructive recommendations to the Senate. In addition, the Task Force on Inventory Management, chaired by Senator Wilson, was established in May to analyze the security and effectiveness of inventory management in the Department of Defense.

OVERSIGHT AND REVIEW

One method by which the Committee performs its oversight functions is by requesting from the Secretary of Defense, the Secretaries of the Military Departments, the Service Chiefs of Staff, the Comptroller General, the Library of Congress, and the Congressional Budget Office reports on subjects that merit continuing congressional review. The process of acquisition of selected major weapon systems, for example, is monitored through a Department of Defense quarterly reporting system that is required by statute.

Nonlegislative investigations are another part of the Committee's defense-related oversight responsibilities. These include committee, subcommittee, individual Senator and committee staff investigations into matters of public concern. For example, in January the Committee received testimony on state-sponsored terrorism and its implications for U.S. foreign policy. In March, Administration officials briefed the Committee on the President's request to provide additional assistance to the Nicaraguan resistance. In April, the Committee received a briefing on U.S. military operations in Libya, and held two days of hearings on nuclear testing issues. And in July, the Task Force on Inventory Management held its initial hearing.

The Committee receives briefings each year from the Government intelligence agencies. All of these investigations and briefings increase the Committee's understanding of national security issues and better enable it to oversee national defense programs and policies.

LEGISLATIVE ACTIVITY

During the Second Session of the Ninety-Ninth Congress, the Armed Services Committee reported a total of six bills to the Senate.

The National Defense Authorization Act for Fiscal Year 1987, encompassing the annual Department of Defense authorization, military construction, military manpower, and Department of Energy national security activities, and the Goldwater-Nichols Department of Defense Reorganization Act of 1986 were the major legislative items reported to the Senate by the Committee during this session.

In addition, the Committee reported the Uniformed Services Retirement Cost Reduction Act of 1986; the Department of Defense Supplemental Authorization Act, 1986; the Intelligence Authorization Act for Fiscal Year 1987; and the Panama Canal Commission Authorization Act, Fiscal Year 1987.

SUMMARY OF LEGISLATION REPORTED BY THE SENATE COMMITTEE ON ARMED SERVICES

I. National Defense Authorization Act for Fiscal Year 1987

Purpose of the Act

For Fiscal Year 1987, this Act:

(1) authorizes appropriations for the military functions of the Department of Defense;
(2) prescribes personnel levels for the Department of Defense;
(3) authorizes certain construction at military installations;
(4) authorizes appropriations for the Department of Energy for national security programs;
(5) imposes certain limitations with regard to specific procurement and RDT&E actions and manpower strengths; and
(6) provides certain additional legislative authorities.

OVERVIEW OF COMMITTEE ACTION ON THE BILL

The Senate Armed Services Committee gave careful consideration to the authorization bill during the Second Session of the Ninety-Ninth Congress. During the period February through May, 1986, the Committee and subcommittees held a total of 43 hearings on the bill. The Committee then met for 7 days to consider recommendations of the subcommittees and to approve a defense authorization bill which was reported to the Senate on July 8. After 7 days of debate and consideration of 82 amendments, the bill was passed by the Senate on August 9, 1986.

In considering its recommendations for the Defense Authorization bill, the Committee intended to comply with the funding targets of the Congressional Budget Resolution for Fiscal Year 1987. However, because of prolonged debate which delayed final agreement on the budget resolution, the Committee was forced to complete its discussions on the authorization bill before final budget targets were set. Therefore, the defense authorization bill reported to the Senate exceeded the Budget Resolution targets for both budget authority and outlays.

The Congressional Budget Resolution for Fiscal Year 1987 allowed $292.2 billion in budget authority and $279.2 billion in outlays for the National Defense (050) function of the federal government. Although the Committee felt that the funding levels in the budget resolution were inconsistent in terms of the relationship between budget authority and outlays, the Committee offered and the Senate adopted an amendment which brought the authorization bill more nearly into compliance with the budget resolution targets. The conference agreement on the authorization bill is in compliance with the funding constraints of the budget resolution.

The following table summarizes both the direct authorizations and budgetary impact of provisions contained in the National Defense Authorization Act, 1987.

SUMMARY OF NATIONAL DEFENSE AUTHORIZATION ACT, 1987
(Dollars in Millions)

	FY 87 Request	Senate	House	Conference	Budgetar Implicati
Procurement	$ 95,777	$ 85,593	$ 78,658	$ 85,065	$ 85,095
Research, Development, Test and Evaluation	41,930	36,358	33,801	36,216	36,216
Operation and Maintenance	85,876	80,707	81,352	78,597	78,597
Working Capital Funds	1,203	1,097	1,156	908	914
Military Construction/ Family Housing	10,139	8,512	8,348	8,409	8,561
DOE Weapons Programs	8,230	7,425	7,451	7,451	7,583
Military Personnel	76,616	—	—	—	74,440
Other Provisions	541	925	1,219	804	479
	$ 320,311	$ 220,617	$ 211,983	$ 217,450	$ 291,884
				Outlay Implication	$ 281,859

The following is a summary of other provisions in the Act.

Title IV - Military Personnel Authorizations

Part A - Active Forces

Active forces	Administration request	House	Senate	Conference
Army	780,900	780,800	780,800	780,800
Navy	592,700	583,300	587,000	587,000
Marine Corps	200,300	198,800	199,600	199,600
Air Force	607,200	606,470	606,850	606,850
Total	2,181,100	2,169,370	2,174,250	2,174,250

Part B - Reserve Forces

Reserve forces	Administration request (minimum end strength)	House (maximum end strength)	Senate (average strength)	Conference (end strength)
Army National Guard	462,800	456,596	440,025	452,681
Army Reserve	327,600	326,600	290,639	318,011
Naval Reserve	155,700	152,994	134,212	149,486
Marine Corps Reserve	44,400	43,663	41,900	43,470
Air National Guard	115,200	115,013	108,700	113,767
Air Force Reserve	80,500	80,489	75,600	79,562
Coast Guard Reserve	13,000	13,000	12,500	12,850
Total	1,192,200	1,188,355	1,103,576	1,169,827

Part C - Military Training

For fiscal year 1987, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 76,758.
(2) The Navy, 72,483.
(3) The Marine Corps, 19,433.
(4) The Air Force, 43,911.
(5) The Army National Guard of the United States, 18,262.
(6) The Army Reserve, 15,858.
(7) The Naval Reserve, 3,493.
(8) The Marine Corps Reserve, 3,944.
(9) The Air National Guard of the United States, 3,566.
(10) The Air Force Reserve, 2,127.

Title V - Defense Personnel Policy

A variety of Defense Personnel Policy issues were addressed, in three parts:

PART A—ACTIVE FORCES

Sec. 501. Assignment of active-duty members outside the United States.
Sec. 502. Service of members on State and local juries.
Sec. 503. Extension of expiring authority for spot promotions of Navy lieutenants.
Sec. 504. Repeal of requirement regarding enlistment of women in the Air Force during fiscal year 1987.
Sec. 505. Authority to exempt physicians at Uniformed Services University of the Health Sciences from reductions in retired pay.
Sec. 506. Treatment of excess leave upon reenlistment
Sec. 507. Termination of gender-based distrinctions in promotions of officers of the Naval Reserve and Marine Corps Reserve.
Sec. 508. Senate confirmation of certain general and flag officer positions.
Sec. 509. Position of Staff Judge Advocate to the Commandant of the Marine Corps.
Sec. 510. Technical correction relating to personnel administration at Air Force Institute of Technology.
Sec. 511. Temporary increase in the number of general and flag officers authorized to be on active duty in three- and four-star grades.
Sec. 512. Study on staffing of critical wartime medical specialities.
Sec. 513. Study of representation of religious faiths in the Armed Forces.

PART B—RESERVE FORCES

Sec. 521. Increased Presidential authority to augment active forces with the Selected Reserve.
Sec. 522. Active duty of National Guard.
Sec. 523. Treatment of single parents enlisting in Reserve components of the Armed Forces.
Sec. 524. Active-duty status of reserve component members in a captive status.

PART C—CIVILIAN PERSONNEL

Sec. 531. Waiver of civilian personnel ceilings for fiscal year 1987.
Sec. 532. Prohibition on managing civilian personnel by end-strengths during fiscal year 1987.
Sec. 533. Prohibition on controlling personnel not funded by Government.
Sec. 534. Reduction in number of years person must be off active duty before appointment as Service Secretary.

Title VI - Compensation and Other Personnel Benefits

The Congress authorized an increase by 3 percent, effective January 1, 1987, in basic pay for all military personnel. In addition, this title includes a myriad of related provisions concerning pay and allowances, travel and transportation, bonuses and special and incentive pays, and benefits for survivors and former spouses, which are contained in the following six parts:

PART A—PAY AND ALLOWANCES

Sec. 601. Military pay raise for fiscal year 1987.
Sec. 602. Authority to pay ROTC members in advance for field training.
Sec. 603. Reimbursement for accomodations in place of quarters.
Sec. 604. Pay, allowances, and benefits for members of the reserve components.

PART B—TRAVEL AND TRANSPORTATION

Sec. 611. Transportation of motor vehicles for members making permanent changes of station.
Sec. 612. Coordination of permanent change of station moves with school year.
Sec. 613. Authorization limit on funds for PCS travel.
Sec. 614. Reimbursement for actual lodging expenses plus per diem for members entitled to travel allowances.
Sec. 615. Transportation and travel allowances for escorts for certain dependents.
Sec. 616. Travel expenses for overseas dependents requiring medical care in certain circumstances.
Sec. 617. Per diem for dependents receiving transportation allowance.
Sec. 618. Modification of family separation allowance.
Sec. 619. Improved dislocation allowance.
Sec. 620. Transportation and storage of household goods.

Part C—Bonuses and Special and Incentive Pays

Sec. 631. Enhanced aviation officer continuation pay.
Sec. 632. Inclusion of aviation cadets under aviation career incentive pay.
Sec. 633. Special authority relating to the payment of Selected Reserve enlistment bonus.
Sec. 634. Special pay for members proficient in foreign languages.

Part D—Benefits for Survivors and Former Spouses

Sec. 641. Court-ordered survivor annuities for former spouses.
Sec. 642. Annuity for a dependent child.
Sec. 643. Age at which remarriage terminates spouse survivor benefit.
Sec. 644. Revision of definition of disposable retired pay for purposes of court orders.
Sec. 645. Revision of open period to elect former spouse and child coverage.
Sec. 646. Extension of medical benefits for certain former spouses.

Part E—Miscellaneous Benefits

Sec. 651. Tuition assistance for Army reserve component officers.
Sec. 652. Benefits for dependents of certain sentenced, discharged, or dismissed members.
Sec. 653. Improved employment opportunities for military spouses.
Sec. 654. Retirement credit for certain former National Guard technicians.
Sec. 655. Meal reimbursement for nonprofit youth groups residing at military installations.
Sec. 656. Limited use of commissary stores by members of the Selected Reserve.

Part F—Administration of Personnel Benefits

Sec. 661. Enhanced method for determining true costs of military retirement.
Sec. 662. Authority to pay bank charges in the event of Government error in mandatory direct deposit of members' pay.
Sec. 663. Cost reductions for fiscal year 1987.

Title VII - Health-Care Management Reform

Sec. 701. Improvement of military health-care delivery system.
Sec. 702. CHAMPUS reform initiative.
Sec. 703. CHAMPUS catchment areas.
Sec. 704. Medical information systems acquisition.
Sec. 705. Confidentiality of medical quality assurance records.
Sec. 706. Use of Public Health Service hospitals as facilities of the uniformed services.
Sec. 707. Limitation on dental insurance program.

Title VIII - Uniform Code of Military Justice

Several changes were made to the Uniform Code of Military Justice:

Sec. 801. Short title; references to Uniform Code of Military Justice.
Sec. 802. Defense of lack of mental responsibility.
Sec. 803. Application for enlisted members to serve on court-martial.
Sec. 804. Court-martial jurisdiction over Reserve members.
Sec. 805. Statute of limitations.
Sec. 806. Time for defense post-trial submissions.
Sec. 807. Detail of judge advocates.
Sec. 808. Effective date.

Title IX - Procurement Policy Reform

The Act includes 39 provisions affecting the defense acquisition process under the title of "The Defense Acquisition Improvement Act of 1987." These provisions include the details of the duties and precedence of the recently-established Under Secretary of Defense for Acquisition; the creation of a streamlined management model for defense acquisition programs; a preference for nondevelopment items in defense procurement; and the clarification of Congressioanl intent with respect to contractor rights in technical data, commercial pricing certification, and cost and pricing data requirements.

In addition, the Defense Acquisition Improvement Act of 1987 contains new restrictions on the use of undefinitized contractual actions, and a prohibition against certain Department of Defense employees and members of the Armed Forces receiving compensation from defense contractors over whom they had substantial and personal responsiblities with respect to defense contracts.

Title X - Matters Relating to Arms Control

This title addresses the following arms control issues:

Sec. 1001. Sense of the Congress relating to SALT II compliance.
Sec. 1002. Sense of the Congress on nuclear testing.
Sec. 1003. Report by the Chairman of the Joint Chiefs of Staff on United States noncompliance with existing strategic offensive arms agreements.
Sec. 1004. Sense of Congress expressing support for a central role for nuclear risk reduction centers.

Title XI - Matters Relating to NATO

This title addresses a variety of allied issues:

Sec. 1101. Modernization of defense capabilities of countries of NATO's southern flank.
Sec. 1102. NATO cooperative logistic support agreements.
Sec. 1103. Cooperative projects.
Sec. 1104. Acquisition and cross-servicing agreements.
Sec. 1105. Cooperative research and development with non-NATO allies and other friendly countries.

Title XII - Department of Defense Management

A variety of Department of Defense Management issues were addressed, in two parts.

PART A—MANAGEMENT OF CERTAIN PROCUREMENT MATTERS

Sec. 1201. Contracts for overhaul, repair, and maintenance of naval vessels.
Sec. 1202. Handling of hazardous waste generated during repair or maintenance of naval vessels.
Sec. 1203. Limitation on transfer of certain technical data packages.
Sec. 1204. Requirements concerning transportation of members of the Armed Forces by chartered aircraft.
Sec. 1205. Fuel sources for heating systems on military installations.
Sec. 1206. Review of the security administration in defense industry of Department of Defense special access programs.
Sec. 1207. Contract set-aside requirements.
Sec. 1208. Manpower estimates for major defense acquisition programs.

PART B—ECONOMY AND EFFICIENCY

Sec. 1221. Increase in threshold applicable to statutory contracting-out procedures.
Sec. 1222. Prohibition on contracts for performance of firefighting and security functions.
Sec. 1223. Contracting out the performance of Department of Defense supply and service functions.
Sec. 1224. Reports on savings or costs from increased use of civilian personnel.

Title XIII - General Provisions

Part A—Financial Matters

Sec. 1301. Transfer authority.
Sec. 1302. Authorization of appropriations for civilian pay and contingencies.
Sec. 1303. Authorization of appropriations for foreign currency purchases.
Sec. 1304. Special Defense Acquisition Fund.
Sec. 1305. Limitation on obligation of fiscal year 1985 and fiscal year 1986 funds.
Sec. 1306. Applicability of limitations on fiscal year 1987 obligations.
Sec. 1307. Reports on unobligated balances.
Sec. 1308. Report on defense budgeting and contract procedures for inflation.
Sec. 1309. Debt collection.
Sec. 1310. Contingent reduction of authorization of appropriations.

Part B—Special Operations Matters

Sec. 1311. Special operations forces.
Sec. 1312. Special operations airlift.

Part C—Authorization of Payment of Certain Expenses With Respect to Developing Countries

Sec. 1321. Authority to pay expenses of developing countries for participation in combined military exercises.
Sec. 1322. Authority to pay certain expenses of defense personnel of foreign countries.

Part D—Miscellaneous Reports

Sec. 1331. Army National Guard reporting.
Sec. 1332. Submarine overhaul study.
Sec. 1333. Report on landing area for AV-8B Harrier aircraft on Iowa-class battleship.
Sec. 1334. Report on cleanup of National Presto Industries.

Part E—Technical and Clerical Amendments

Sec. 1341. Technical correction to Department of Defense Authorization Act, 1985.
Sec. 1342. Technical corrections to provisions enacted by Department of Defense Authorization Act, 1986.
Sec. 1343. Clerical amendments.

Part F—Miscellaneous

Sec. 1351. Limitation on source of funds for Nicaraguan democratic resistance.
Sec. 1352. Budget accounting for new space shuttle.
Sec. 1353. Prompt reporting of intelligence on terrorist threats.
Sec. 1354. Use of marine mammals for national defense purposes.
Sec. 1355. Reimbursement for incidental expenses incurred while providing voluntary services.
Sec. 1356. Defense of legal malpractice suits.
Sec. 1357. Off-post rental housing lease indemnity pilot program.
Sec. 1358. Wage rate for certain Corps of Engineers employees.
Sec. 1359. Reimbursement for transferred defense industrial reserve equipment.
Sec. 1360. Extension of exemption for DOD polygraph test.
Sec. 1361. Identification of facilities for the detention of certain aliens.
Sec. 1362. Correctional facilities at Fort Riley, Kansas.
Sec. 1363. Minuteman Education Program.
Sec. 1364. Foreign espionage activities in the United States.
Sec. 1365. Civil Air Patrol.
Sec. 1366. Amendment of Military Selective Service Act to provide eligibility for benefits to certain persons who fail to register.
Sec. 1367. Correction of effects of contamination at Rocky Mountain Arsenal.
Sec. 1368. Sense of Congress regarding the death of Lieutenant Colonel Arthur D. Nicholson, Junior.
Sec. 1369. Deadline for appointment of members of Commission on Merchant Marine and Defense.
Sec. 1370. Availability of nuclear non-proliferation information to Department of Defense.
Sec. 1371. Nuclear winter study and report.
Sec. 1372. Sale of two naval vessels.
Sec. 1373. Drug interdiction.
Sec. 1374. Grants to the Henry M. Jackson Foundation.

Title XIV - Barry Goldwater Scholarship and Excellence in Education Program

This title creates and establishes procedures for the operation of the Barry Goldwater Scholarship and Excellence in Education Foundation.

STATUS

The Committee on Conference on the Defense Authorization bill met for 8 days during September and October, and reported a conference agreement on October 14, which was passed by both Houses on October 15, 1986.

II. Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433, October 1, 1986)

PURPOSE OF THE ACT

(1) to reorganize the Department of Defense and strengthen civilian authority in the Department;

(2) to improve the military advice provided to the President, the National Security Council, and the Secretary of Defense;

(3) to place clear responsibility on the commanders of the unified and specified combatant commands for the accomplishment of missions assigned to those commands;

(4) to ensure that the authority of the commanders of the unified and specified combatant commands is fully commensurate with the responsibility of those commanders for the accomplishment of missions assigned to their commands;

(5) to increase attention to the formulation of strategy and to contingency planning;

(6) to provide for more efficient use of defense resources;

(7) to improve joint officer management policies; and

(8) otherwise to enhance the effectiveness of military operations and improve the management and administration of the Department of Defense.

OVERVIEW OF COMMITTEE ACTION ON THE BILL

This bill was the Committee's highest priority effort during 1986. Building upon two and one-half years of research, study, and hearings, the Committee began its markup of an original defense reorganization bill on February 4, 1986. After 14 markup sessions, the Committee approved S. 2295, the Department of Defense Reorganization Act of 1986, on March 6th by a unanimous vote of 19-0 and reported this bill on April 14th. After Senate consideration, S. 2295 was substituted for the text of H.R. 3622 (the Joint Chiefs of Staff Reorganization Act of 1985), and H.R. 3622, as amended, passed the Senate by a vote of 95-0 on May 7th. During consideration by the Senate, the short title of the bill was amended to become the Barry Goldwater Department of Defense Reorganization Act of 1986.

The conference committee on H.R. 3622 convened on August 13th and completed its work on September 11th. The conference report, filed on September 12th, was passed by the Senate on September 16th and by the House of Representatives on the following day. The resulting legislation was entitled the Goldwater-Nichols Department of Defense Reorganization Act of 1986 in honor of Senator Barry Goldwater and Representative Bill Nichols.

SUMMARY OF THE GOLDWATER-NICHOLS DEPARTMENT OF DEFENSE REORGANIZATION ACT OF 1986

The Goldwater-Nichols Act is the first major reorganization of the Department of Defense in 28 years. It provides for organizational and procedural reforms in each of the major elements of the Department: the Office of the Secretary of Defense, the Organization of the Joint Chiefs of Staff, the unified and specified combatant commands, the Military Departments, and the Defense Agencies.

TITLE I - DEPARTMENT OF DEFENSE GENERALLY

This title deals with the organization of the Department of Defense and with the organization and officials of the Office of the Secretary of Defense. It also addresses the powers and duties of the Secretary of Defense, including his authority to reorganize the Department of Defense.

TITLE II - MILITARY ADVICE AND COMMAND FUNCTIONS

Part A of this title deals with the Joint Chiefs of Staff (JCS). It designates the JCS Chairman as the principal military adviser to the President, the National Security Council, and the Secretary of Defense, assigns to the Chairman the duties previously performed by the JCS, and creates the position of JCS Vice Chairman.

Part B of title II addresses the unified and specified combatant commands. The principal provisions strengthen the command and personnel authority of the commanders of the combatant commands.

TITLE III - DEFENSE AGENCIES AND DEPARTMENT OF DEFENSE FIELD ACTIVITIES

This title provides for more effective supervision and control of the entities that perform common supply and service activities within the Department of Defense. The title gives special attention to ensuring the readiness of certain Defense Agencies to carry out their wartime support missions.

TITLE IV - JOINT OFFICER PERSONNEL POLICY

This title establishes policies to better prepare and reward military officers for service in joint duty assignments. In particular, it creates an occupational category, referred to as the "joint specialty", for the management of officers who are trained in, and oriented toward, joint matters.

TITLE V - MILITARY DEPARTMENTS

The three parts of this title address the Department of the Army, the Department of the Navy, and the Department of the Air Force. It makes the provisions governing these departments consistent with the National Security Act of 1947. This title also removes unnecessary and undesirable inconsistencies among various Military Department provisions. Key provisions of this title specify the responsibilities of the Secretaries of the Military Departments to the Secretary of Defense.

TITLE VI - MISCELLANEOUS

The three major provisions of this title reduce the number of personnel in certain activities, reduce by two-thirds the number of defense reports required to be submitted to the Congress, and require the President to submit to the Congress an annual report on national security strategy.

STATUS

This measure was enacted into public law on October 1, 1986.

III. Military Retirement Reform Act of 1986 (Public Law 99-348, July 1, 1986)

Purpose of the Act

The purpose of the Act is to establish a revised retirement system for new members of the uniformed services, to review the method of determining cost-of-living adjustments under the revised retirement system, and for other purposes.

Summary of Committee Action

After more than two years of hearings and work by the Manpower and Personnel Subcommittee on the issue of military retirement reform, the Committee considered this bill on April 9 and 16, and approved the legislation on April 16, 1986. The original bill was reported to the Senate on May 1, 1986.

Status

The measure was enacted into public law on July 1, 1986.

IV. Department of Defense Supplemental Authorization Act, 1986 (Public Law No. 99-348)

Purpose of the Act

The purpose of the Act is to provide supplemental authorization for appropriations for fiscal year 1986 for certain programs of the Department of Defense, and for other purposes.

Summary of Committee Action

The Department of Defense Appropriations Act, 1986, included a provision (Section 8109) which prohibited obligation or expenditure of appropriations which were not authorized in law. The Senate Armed Services Committee reported S. 2459 which provided subsequent authorization for certain unauthorized appropriations subject to the restrictions of Section 8109 and denied authorization for other specific programs. In consultation with the House Armed Services Committee and the Appropriations Committees of both Houses, the Committee agreed to provide authorization for virtually all unauthorized appropriations, but included restrictive language for the T-46 trainer aircraft program and a small number of other unauthorized programs.

The Committee considered this bill on March 18 and 21, and approved the legislation on March 21, 1986. The original bill was reported to the Senate on May 15, 1986.

Status

Supplemental authorizations for the Department of Defense for Fiscal Year 1986 are contained in Titles IV and V of the Conference Report on the Military Retirement Reform Act (H.R. 4420) which was agreed to in the Senate on June 25 and in the House on June 26, 1986, and enacted into Public Law on July 1, 1986.

V. Intelligence Authorization Act for Fiscal Year 1987

Purpose of the Act

The purpose of the Act is to authorize appropriations for fiscal year 1987 for intelligence activities of the United States Government, the Intelligence Community Staff, the Central Intelligence Agency Retirement and Disability System, and for other purposes.

Summary of Committee Action

The Committee considered this authorization bill on June 19, 1986. On August 7, 1986 the Committee reported the bill to the Senate with an amendment and without a written report.

Status

The House passed the Intelligence Authorization conference report on October 2, 1986. The measure was passed by the Senate on October 6, 1986.

VI. Panama Canal Commission Authorization Act, Fiscal Year 1987 (Public Law 99-368, August 1, 1986)

Purpose of the Act

The purpose of the Act is to authorize appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal, and for other purposes.

Summary of Committee Action

The Committee met to mark up this bill on June 25, 1986. Following the mark up, the Committee reported the bill to the Senate without amendment and without a written report.

Status

This measure was enacted into public law on August 1, 1986.

SUMMARY OF NOMINATIONS

During the Second Session of the Ninity-Ninth Congress, the Committee acted on 13 statutory nominations, all of which were subsequently confirmed by the Senate.

Following favorable Committee action, Edward C. Aldridge, Jr., was confirmed as the Secretary of the Air Force; Robert B. Barker was confirmed as Chairman of the Military Liaison Committee to the Department of Energy; M.D.B. Carlisle was confirmed as Assistant Secretary of Defense (Legislative Affairs); Robert C. Duncan was confirmed as Assistant Secretary of Defense (Research and Technology) and Director of the Defense Advanced Research Projects Agency; H. Lawrence Garrett, III, was confirmed as General Counsel of the Department of Defense; Richard P. Godwin was confirmed as Under Secretary of Defense for Acquisition; James F. McGovern was confirmed as Under Secretary of the Air Force; Walter J. Shea was confirmed as a Member of the Board of the Panama Canal Commission; Michael P. W. Stone was confirmed as Assistant Secretary of the Army (Financial Management); Eugene R. Sullivan was confirmed as a Judge of the United States Court of Military Appeals; Admiral Carlisle A. H. Trost, USN, was confirmed as Chief of Naval Operations; General Larry D. Welch, USAF, was confirmed as Chief of Staff, United States Air Force; and George Woloshyn was confirmed as Associate Director of the Federal Emergency Management Agency.

In addition, 36,856 nominations for military promotion were routinely considered by the Committee and approved by the Senate.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

] FIRST SESSION [

During the first session of the 99th Congress the Senate Committee on Banking, Housing, and Urban Affairs, under the Chairmanship of Senator Jake Garn (R-Utah) continued its efforts to address significant issues raised in the rapidly changing financial services marketplace.

At the end of the 98th Congress the Senate Banking Committee brought together S.2851, The Financial Services Competitive Equity Act, which passed the Senate 89 to 5, and sent the passed version on to the House but ended with the adjournment of the 98th Congress.

The size of the passing margin reflects the pressing need for legislation to continue addressing the competitive issues, consumer protection, and the regulatory issues raised by the constant changes in our financial services industry.

Chairman Garn says the Senate Banking Committee does not have to start all over again. Most of The issues defined in S.2851 have not changed since the 89 to 5 vote last September. Modifications, if any, will be considered.

Members of both Houses consider the deposit insurance reform issue as ~~a~~ the priority in the 2nd session and will command detailed attention at the full Committee level.

During the 1st session of the 99th Congress the full Committee and its Subcommittees held a total of 52 days of oversight and legislative hearings, having 289 witnesses testifying and contributing ideas to proposed legislation.

The 52 days of hearings not only included the deposit insurance reform issue but also 9 days of oversight hearings on the Comprehensive Reform in the Financial Services Industry, etc.

In view of the fact that no banking legislation passed into law during the 1st session of the 99th Congress, the Senate and House Banking Committees emphasize that the legislative pace during the 2nd session will pick up around April, 1987, with a bill hopefully being signed into law by the President in July 1986.

Bills introduced and referred to the Committee totaled 235 with 12 being reported out of the Committee and 7 becoming public law as of December 19, 1985.

STATUE OF LIBERTY-ELLIS ISLAND COMMEMORATIVE COIN ACT

[S. 233--H.R. 47]

On February 20, 1985, a unique day in the history of the Congress, a House Banking Subcommittee held a joint hearing with the Senate Banking Committee. The subject of the joint hearing, the Statue of Liberty-Ellis Island Commemorative Coin Act, S. 233 and H.R. 47, calling for the minting of coins to help raise $230 million to restore the Statue of Liberty and Ellis Island. After passing the Senate on June 21, 1985 and the House on June 24, 1985, thia legislation was approved and signed by the President on July 9, 1985, and became Public Law 99-61.

CONTROLS ON THE EXPORT OF CAPITAL FROM THE UNITED STATES

[S. 812]

On March 28, 1985, Senators Garn and Proxmire introduced S. 812, to amend the Export Administration Act of 1979, to authorize controls on the export of capital from the United States.

This legislation would give the President authority to control loans to the Soviet bloc countries.

No further action was taken due to the packed legislative calendar.

AMENDING THE AGRICULTURE AND FOOD ACT OF 1981

[S. 744--S. 1714]

The Senate Banking Committee held a hearing on October 9, 1985, to consider the effect S. 744 would have on agriculture credit and on agriculture lenders. On November 22, 1985, an amended version of S. 744 was added as an amendment to S. 1714, the Agriculture, Food, Trade Conservation Act of 1985. A conference report (H. Rept. 99-447) was filed in the House on December 17, 1985. On December 18, 1985, both Senate and House agreed to the conference report. This legislation was approved and signed by the President on December 23, 1985, and became Public Law 99-198.

SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS
99th CONGRESS
FIRST Session

During the first half of the 99th Congress the Subcommittee focused its attention on all areas of housing and urban affairs. Every aspect of the issues charged to the Housing Subcommittee was examined in light of the President's budget proposal and the crippling deficits currently facing the United States.

The full Committee held three hearings: March 22, March 25 and April 15, on housing and urban affairs. Numerous representatives of transportation, community development, rural housing, as well as the Secretary of HUD and the head of the Office of Management and Budget testified before the Committee.

Under the Budget Reconciliation Act (S. 1730), four issues within the Subcommittee's area of responsibility were addressed:

(1) Section 108 Community Development Loan Guarantee Program: This saves the Federal Government $250 million dollars annually, the same result as eradicating the program (the Administration's original proposal). It prohibits the Federal Financing Bank from purchasing notes or other obligations guaranteed under Section 108 of the Community Development Block Grant Program after June 30, 1986, and requires the Secretary of HUD by July 1, 1986, to take the actions necessary to provide for the financing by the private sector of loans guaranteed under Section 108. It also authorizes $1.279 billion in fiscal year 1986 for public housing operating subsidies.

(2) Rural Housing Authorization: This section provides that the aggregate principal amount of loans that may be guaranteed or insured in fiscal year 1986 may not exceed $2,146,600,000 to be allocated as follows: Sec. 502 homeownership loans $1,209.6 million; Sec. 515 rental loans $900 million; Sec. 514 farmworker housing loans $19 million; Sec. 524 site loans $1 million; and, Sec. 504 repair loans $17 million.

Management of Insured and Guaranteed Loans: (a) Prohibits rural housing loans made directly by private lenders and insured by the Farmers Home Administration from being sold to the Federal Financing Bank; (b) Provides that each insured or guaranteed loan contain an agreement by FmHA to pay the difference between the interest rate paid by the borrower and the full private market rate of interest. (c) Provides for protection of the borrowers' rights by requiring that the loan be assigned to the Secretary in the event of a substantial default but before foreclosure. Congress intends that the FmHA follow the practices of private mortgage bankers and lenders with regard to defining substantial defaults and that the full forebearance provisions under existing law be extended to the borrower; (d) Provides that the rights avaialble to the borrower prior to the enactment of this provision will continue; (e) Further provides for a loss reserve account of not less than 5 percent of the loans sold to the public and makes other conforming changes in existing law.

(3) Operating Subsidies: The level of funding for public housing operating subsidies for fiscal year 1986 was set at $1.279 billion (the same amount as provided in the HUD Appropriations Act 99-160).

(4) Public and Indian Housing Loan Debt Forgiveness: Provides that loans made for public and Indian housing, as well as modernization assistance, will be forgiven at the end of each fiscal year. It also gives direction for the use of the budget authority in the HUD Independent Appropriations Act of 1986, P.L. 99-160, which provides funds for new public housing development and modernization on the basis of long-term financing through sales of tax-exempt securities issued by public housing authorities. The conferees action in meeting the reconciliation directive concerning public housing debt forgiveness leaves open the possibility that if tax-exempt financing is not possible in the future the financing mechanism provided for in this section will be used. If this approach is used the conferees intend that any budget authority not needed to fund the 7,000 additional public and Indian housing units or provide the level of modernization activity assumed by the Appropriations Committee will be rescinded.

These matters were settled when the Budget Reconciliation Act was voted on and passed, December 19 1985.

Many of the Federal Housing Act mortgage programs, Home Mortgage Disclosure Act, crime and flood insurance programs, and entitlement communities were scheduled to, and did expire on September 30, 1985. The Senate voted on a temporary extension of these programs on

October 20 to extend through November 14 and 15. When that extension ran out, the Senate once again extended the same programs through December 15 and 16.

A third proposal to extend these programs through March 17, 1986 was voted and passed on December 19, 1985, along with the other requirements under the Budget Reconciliation.

The Subcommittee did not consider any Presidential nominations. Any nominations considered were taken up by the full Committee on Banking, Housing and Urban Affairs.

SUBCOMMITTEE ON SECURITIES
FIRST SESSION

Impact of Corporate Takeovers

One of the first items of business before the subcommittee was consideration of legislation to halt corporate raiders resort to coercive and unfair tactics in takeover attempts.

The subcommittee held 4 days of oversight hearings with Chairman D'Amato presiding and with a distinguished ~~panel~~ array of witnesses that appeared for these hearings, helped to indicate the magnitude of these problems and suggested ways that can better protect hostile takeovers.

√ Regulation of Government Securities

On May 9, 1985 Senator D'Amato called to order a hearing to consider legislation on the recent problems associated with auditing practices and accounting standards of the Government Securities market. The current problems include customer education possible changes in accounting practices, as well as a regulatory scheme to require registration and changes in standards for capital adequacy in dealer practices.

Reauthorizations for the Securities and Exchange Commission, 1986-88

On April 17, 1985, Senator D'Amato ~~called to order~~ chaired a hearing to consider the SEC request for reauthorization for fiscal years 1986-88. The second purpose of the hearing was to use it as a ~~form~~ forum to explore some of the recent problems associated with the Government securities market such as the series of failures in the unregulated Government securities market.

Reauthorizations for the Securities and Exchange Commission, 1986-88 (continued)

S. 919 was introduced by Senator D'Amato to help prevent bankruptcies and save the depositors confidence in the securities market. Legislation is still pending.

The Shareholder Communications Act of 1985--S. 918

S. 918 passed the Senate on December 18, 1985. This legislation invests the Securities and Exchange Commission with the authority to promulgate rules regarding the dissemination of proxy materials to shareholders whose shares are held in certain trust accounts by banks and other financial institutions. Prior to the enactment of this legislation, the SEC did not have the authority to promulgate regulations in this area that applied to banks. The House passed identical legislation (H.R. 1603) this summer.

Amendments to the Public Utility Holding Company Act--S. 727

S. 727 exempts three natural gas companies from the provisions of PUHCA by allowing them to engage in cogeneration activities. This legislation was needed to realize the legislative intent of the Public Utilities Regulatory Policy Act. The Senate passed S. 727 in November and identical legislation was passed by the House in December.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Second Session

During the second session of the 99th Congress the Committee on Banking, Housing, and Urban Affairs, under the leadership of Chairman Jake Garn of Utah continued its efforts to complete a number of legislative initiatives begun in the first session.

Following several days of additional hearings in the second part of this year on financial services legislation, the Committee, on August 13, 1986, reported S. 2752, a bill to extend titles I and II of the Garn-St Germain Depository Institutions Act of 1982, to provide for emergency acquisitions of banks in danger of closing and to recapitalize the Federal Savings and Loan Insurance Corporation.

Senate action on the legislation was delayed because of threats and counterthreats of amendments and "extended educational discussions."

With time running out, and a packed legislative calendar, the Senate leadership was unable to bring the legislation up for floor action due to the concern over lengthy debate and amendments on the issue.

As the second session was nearing adjournment the Senate passed two different versions of "safety and soundness" financial institutions legislation, first S. 2747 as amended on the floor and H.R. 2443 with a Senate floor amendment. The House of Representatives failed to act on either of the bills by the time the 99th Congress adjourned sine die.

The Banking Committee, building on a base of 17 days of oversight and 15 days of legislative hearings with 9 days of markups, reported 27 bills of which 14 became public laws. In addition to the above, the Committee held 5 days of confirmation hearings.

Conduct of Monetary Policy
First and Second Sessions

The Senate Banking Committee held four oversight hearings on the conduct of monetary policy during the first and second sessions of the 99th Congress. Background for each hearing was provided by a Monetary Policy Report from the Board of Governors of the Federal Reserve System. The Board is required to send these Reports to the Congress each February and July under the "Full Employment and Balanced Growth Act of 1978."

The Chairman of the Board of Governors, Paul Volcker, appeared before the Banking Committee at each of the semi-annual hearings for extensive questioning on the recent conduct of monetary policy, the FED's targets for future monetary growth, and the compatibility of monetary policy with the nation's overall economic objectives. The Committee also received statements from other government officials and outside economists.

After each of the hearings, the Committee summarized its findings in a Report to the full Senate, as is also required by the "Full Employment and Balanced Growth Act." During the 99th Congress, these Reports focused on the reasons for and implications of the rapid money growth that began in late 1984 and the unprecedented decline in monetary velocity that accompanied rapid monetary growth.

The Banking Committee's Reports to the Senate also focused on the linkages between money growth and real economic growth, unemployment, inflation and the value of the dollar. In general, the Committee supported the FED's monetary policy actions during 1985 and 1986, finding those actions compatible with continued economic growth. The Committee did express concern over the long-run consequences of continued rapid monetary growth and of excessively-large federal budget deficits. The Committee also expressed concern over financial market instability related to uncertainty over changes in the direction of FED policy.

Reports by the Committee to the full Senate were:

First Monetary Policy Report for 1985, Senate Report 99-22, April 2, 1985,

Second Monetary Policy Report for 1985, Senate Report 99-149, October 4, 1985,

First Monetary Policy Report for 1986, Senate Report 99-289, April 28, 1986,

Second Monetary Policy Report for 1986, Senate Report 99-490, September 26, 1986.

DEPARTMENT OF COMMERCE'S FIRST ANNUAL REPORT ON FOREIGN POLICY EXPORT CONTROLS

[S. 2076]

On February 19, 1986, the Senate Banking Committee held the first of which will be annual oral reports by the Secretary of Commerce explaining why the President is maintaining foreign policy controls. S. 2076, to authorize appropriations to carry out the Export Administration Act of 1979 and export promotion activities, was introduced on February 18, 19865, by Senators Garn and Heinz. On March 13, 1986, the Banking Committee reported S. 2076 with an amendment favorably. No further action was taken at the end of the 99th Congress.

THE DRUG MONEY SEIZURE ACT AND THE BANK SECRECY ACT AMENDMENTS

[S. 571, S. 2306]

Senator D'Amato submitted bills S. 571 and S. 2306 on March 5, 1985 and April 15, 1986, respectively. A hearing was held on May 1, 1986. The bills would strengthen compliance with the Bank Secrecy Act and grant greater authority to the Treasury Department on reporting requirements from the financial institutions.

Sections of these bills became part of [illegible] H.R. 5484, the Anti-Drug Abuse Act of 1986. ?

This legislation was approved and signed by the President on October 27, 1986, and became Public Law 99-570.

FINANCIAL INSTITUTIONS EMERGENCY ACQUISITIONS AMENDMENTS OF 1986

[S. 2372]

Senator Garn introduced S. 2372 on April 24, 1986, to preserve the authority of the Federal banking agencies to arrange interstate acquisitions and mergers for failed and failing banks. Hearings were held on May 13 and 14, 1986. This was a much needed piece of legislation but the enormous workload of the 99th Congress prevented any further action on this bill.

CONSTRUCTION MANAGEMENT OVERSIGHT ON MAJOR TRANSIT CAPITAL PROJECTS

[S. 1932]

Senator D'Amato introduced S. 1931 on December 12, 1985, a bill to amend the Urban Mass Transportation Act of 1964, to require construction management oversight on major capital projects. On April 9, 1986, the Senate Banking Committee held a hearing to determine that Federal assistance for major capital projects for transit dollars be prudently spent. This legislation requires construction management to be prepared by grantees and approved by the Urban Mass Transportation Administration [UMTA]. No further action was taken at the end of the 99th Congress.

ACTIVITIES OF THE SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS

SECOND SESSION

99TH CONGRESS

In the second half of the 99th Congress, the Subcommittee held two oversight hearings. The first, held in May, examined the current crisis in the availability and affordability of liability insurance affecting all areas of society, from communities to individual professionals. The second hearing, held in June, was on the Fair Housing Initiatives Program. The hearing was a forum of discussion on all aspects of a fair housing education and enforcement proposal developed by the Department of Housing and Urban Development.

On April 15th and 16th, the Subcommittee held a legislative hearing on the urban mass transportation reauthorization bill. Representatives from the Urban Mass Transportation Administration, local transit officials and interested unions testified on a myriad of issues facing mass transit in the nineteen-eighties.

In September, the Senate attached an amendment reauthorizing mass transit to the highway bill for conference with the House of Representatives. Due to the failure of the conferees to come to terms on major issues in the Highway bill, such as a proposed 65 mile per hour speed limit, no transit or highway legislation was enacted.

The full Committee marked up and reported to the Senate the Housing Act of 1986, S. 2507, on May 21, 1986. This bill included Urban Development Action Grant selection criteria changes, extended all FHA mortgage programs through September 30, 1987, contained a program for aiding the Homeless of our nation, established the Fair Housing Initiatives Program as well as other amendments to the current law.

Ultimately, many major differences between the House and Senate housing legislation were not resolved in the last days of the 99th Congress, and Congress adjourned sine die without enacting a housing bill.

During the second session of the 99th Congress, the FHA mortgage program extensions expired six times. The Congress ultimately passed Senate Joint Resolution 353 to extend all the affected FHA programs through the end of the 1987 fiscal year, and it was signed into law by the President on September 30, 1986.

The Omnibus Budget Reconciliation Act of 1986 also included sections under the purview of the Housing Subcommittee. The Reconciliation Act directs the Secretary of Agriculture to sell rural housing loans to the public in amounts sufficient to reduce outlays by $1.7 billion in FY87 without requiring sales in FY88 or FY89.

SUBCOMMITTEE ON SECURITIES
SECOND SESSION

The Government Securities Act of 1986.

Over much opposition from the banking and securities industry, this legislation was passed by the Senate on October 9, 1986 and is awaiting the President's signature. The legislation was needed due to the recent failure of several government securities dealers that cost investors approximately $1 billion dollars.

The legislation provides a coordinated regulatory framework to provide for a fair and orderly market in government securities without injuring the liquidity and efficiency of the market in government securities. The restoration of integrity to this market is imperative since the Treasury uses the market in government securities to finance the national debt.

The legislation requires currently unregulated Government securities brokers and dealers, specifically registered brokers and dealers and financial institutions, to file a notice with their appropriate regulatory agencies.

In addition, the bill grants specific rulemaking authority to the Secretary of the Treasury to adopt rules regarding: financial responsibility including capital adequacy, custody and use of customers' securities, and the transfer and control of government securities in repurchase transactions; financial statements; and recordkeeping exemptions from registration. The enforcement of these rules would be the responsibility of the Commission as to currently registered brokers and dealers and those government securities brokers and dealers required to register with the Commission under the bill. The enforcement of the rules promulgated by the Secretary would be the responsibility of other appropriate regulatory agencies as to banks and other institutions specified in the bill.

Passed by the House October 6, 1986.

Passed by the Senate October 9, 1986.

S. 2000 - A Bill to clarify the exemptive authority of the Securities and Exchange Commission.

This legislation provides the SEC to grant an exemption under the Public Utilities HOlding Company Act (PUHCA). The legislation permits a holding comany that has only one subsidiary that is solely a gas utility company to be exempt from PUHCA except for section 9(a)(2). This exemption applies to only one company in West virginia owned by the Cabot corporation.

S. 571 - Drug Money Laundering

For the first time money laundering itself is made a crime punishable by up to 20 years in prison, forfeiture, and fines of up to $500,000 or twice the value of the money involved in the violation, whichever is greater. This follows the lead of

Senator D'Amato's bill, S. 572. The forfeited assets can be shared with local law enforcement agencies.

The bill also gives the Department of the Treasury the summons authority to investigate institutions, such as banks, to more aggressively investigate and enforce the money laundering laws and the Bank Secrecy Act. Again, this incorporates Senator D'Amato's legislation, S. 2579, introduced in 1984 and S. 572, introduced in 1985. The legislation also makes structuring of deposits to evade the reporting requirements of the Bank Secrecy Act a crime, as first provided in a D'Amato bill, S. 2306. Hearings were held on these bills on

All of these provisions were originally introduced by Senator D'Amato in 1984-1985 before there was much publicity surrounding these issues. These provisions as originally introduced are virtually identical to those provisions that were included in The Omnibus Drug Act which passed both Houses of Congress last week.

Impact - Corporate Takeovers.

On December 6, 1985, Senator D'Amato introduced the only truly comprehensive tender offer reform legislation in the 99th Congress. Since that time, the SEC has promulgated a rule that embodies one of the major provisions of that bill - a prohibition against disriminatory self - or counter tender offers. The proposed amendments to the Williams Act contained in S. 1907 are consistent with the original intent of that act's authors. The proposed legislation modifies the act to ensure that it continues to protect investors and the public interest without placing undue impediments that thwart honest and lawfully conducted takeover transctions. Legitimate corporate takeover activity will not suffer by the enactment of this legislation. The modification of the disclosure requirements of section 13 and 14 of the Exchange Act combined with the procedural modifications contained in the legislation will benefit investors and discourage pure financial plays.

S. 919 - Reauthorizations for the Securities and Exchange Commission, 1986-88

On April 17, 1986, Senator D'Amato chaired a hearing to consider the SEC request for reauthorization for fiscal years 1986-88. The second purpose of the hearing was to use it as a forum to explore some of the recent problems associated with the Goverment securities market such as the series of failures in the unregulated government securities market.

S. 919 was introduced by Senator D'Amato to help prevent bankruptcies and save the depositors confidence in the securities market. Legislation was not acted upon by the 99th Congress.

The Shareholder Communications Act of 1985 - S. 918

This legislation which passed the Senate on December 18 1985, invests the Securities and Exchange Commission with the authority to promulgate rules regarding the dissemination or proxy materials to shareholders whose shares are held in certain trust accounts by banks and other financial institutions. Prior to the enactment of this legislation, the SEC did not have the authority to promulgate regulations in this area that applied to banks. The House passed identical legislation (HR 1603) this summer.

SUBCOMMITTEE ON FINANCIAL INSTITUTIONS AND CONSUMER AFFAIRS

1ST AND 2D SESSIONS

AGRICULTURAL LENDERS

[S. 795]

Senator Gorton held a hearing on April 26, 1985, to extend the Net Worth Certificate Program to agricultural lenders pertaining to S. 795, a bill introduced by Senator Exon. Due to a packed legislative schedule the Senate could not act on the bill.

THE NATIONAL CREDIT CARD CONSUMER PROTECTION ACT

[S. 1603, S. 1922]

S. 1603 and S. 1922, bills introduced respectively by Senators Hawkins and D'Amato, to amend the Truth-in-Lending Act for a ceiling on credit card interest rates had a hearing on January 28, 1986. These bills were not able to be voted on in the second session of the 99th Congress.

THE FAIR CREDIT CARD ACT OF 1986

[S. 2140, S. 2264, S. 2421]

Senators Dodd, D'Amato, and Gorton introduced S. 2140, S. 2264, and S. 2421 respectively and a hearing was held on May 21, 1986. These bills would amend the Truth-in-Lending Act to require certain disclosures at the time of initial application. The press of legislation stymied these bills from being acted on in the second session.

INTERNATIONAL FINANCE AND MONETARY POLICY

1st and 2d Sessions -

Reauthorization and Amendment of the Export Administration Act of 1979

Authorities under the Export Administration Act of 1979 (EAA) expired on March 30, 1984. The Committee gave priority to enactment of reauthorization legislation early in the 99th Congress. On July 12, 1985, the President signed Public Law 99-64", renewing authorities under the EAA through September 30, 1989 and making numerous amendments to the Act. These amendments would significantly tighten up the enforcement of national security export controls, improve the organization among Government agencies for administering and enforcing export controls, remove outdated controls, streamline the processing of export license applications, and provide greater predictability to export administration, thereby promoting the reliability of U.S. exporters.

The legislation adopted reflected work begun in the 98th Congress but which was still in conference at the time of sine die adjournment in 1984. These amendments represent the most extensive revision of our export control laws since the adoption of the Export Control Act of 1948.

Anti-Apartheid Legislation

One of the first items of business before the subcommittee was consideration of legislative options to address the growing problem of apartheid in South Africa. One hearing was held in the full committee, on April 16, 1985, and three hearings were held in the Subcommitte on International Finance and Monetary Policy, on May 24 and June 13, 1985, and on July 15, 1986. Legislation reported by the Committee on Foreign Relations and adopted by the Senate, and the imposition of sanctions against the Government of South Africa by President Reagan, made further action by the Committee during 1985 unnecessary. In 1986 additional legislation, reported by the Foreign Relations Committee and subsequently enacted, made further legislative action by the Committee unnecessary.

Lending to Soviet Bloc Countries

The dramatic resumption of private bank lending to the Soviet Union and its allies--totaling approximately $1.7 billion loaned or syndicated by U.S. banks in 1985--and the lack of non-emergency authority for the President to regulate such lending prompted Senators Garn, Proxmire, D'Amato, Mattingly, and Hecht to sponsor S.812, the Financial Export Control Act. This bill, introduced on March 28, 1985, would amend the Export Administration Act of 1979 to give the President discretionary authority to control the making of loans and other transfers of capital to the countries to which exports are prohibited for national security purposes under the Act.

Two hearings were held on the legislation in the Full Committe, on September 26 and December 4, but no further action was taken on the bill.

Tied Aid Credit Warchest

Significant progress has been achieved in recent years to limit official export credits as elements in international export competition. One area where progress has not been seen is in efforts to eliminate the practice of promoting export sales by offering credits with very concessional terms, made possible by mixing foreign aid grant money with the official export credit. As competition has been regulated in other areas of official export credits recourse to mixed credits has increased. The United States, which traditionally has offered very few mixed credits, has failed to obtain progress in negotiations on mixed credits with the Organization for Economic Cooperation and Development (OECD). France, Italy, Belgium and Japan in particular have opposed efforts to raise the minimum allowable grant element in mixed credits, which would make them truly foreign aid and too expensive to be used as a tool for commercial purposes.

In September 1985 President Reagan adopted an approach to this problem that had been proposed in legislation by members of the committee as early as the 97th Congress. The President submitted legislation to the Congress that would authorize the creation of a $300 million warchest to allow the United States to combat mixed credit offers by initiating a temporary mixed credit program of our own.

The legislation was introudced on October 10 by Committee Members Heinz, Garn, and Dixon, as well as by Senators Danforth and Chaffee. A hearing was held on October 30, in the Subcommittee on International Finance and Monetary Policy. This program was approved by the Committee on March 13, 1986, and the

Tied Aid Credit Warchest was enacted as part of H.R. 5548, signed by the President on October 15, 1986.

Export-Import Bank Act Renewal

On February 5, 1985 the Subcommittee on International Finance and Monetary Policy held a hearing on the programs of the Export-Import Bank. The President's FY 1986 budget submission had called for the elimination of the Bank's direct loan programs, replacing them with an interest subsidy program. Witnesses in the hearing focused on this proposal in particular. No action was taken on the proposal during the Session, the Congress choosing instead to continue with the Bank's direct loan program, thought at a level less than one-third of the authorization for fiscal year 1985.

On February 7, 1986, the Subcommittee held a hearing on legislation to amend and renew the Export-Import Bank Act of 1945, and on March 13, 1986 the Committee approved legislation to amend and renew the Act. This legislation was ultimately combined, in consultation with Members of the House of Representatives, with legislation creating a Tied Aid Credit Warchest program, reintroduced as H.R. 5548, passed both Houses of Congress, and signed into law by the President on October 15, 1986.

Export Revitalization Act

The Subcommittee on International Finance and Monetary Policy conducted a hearing on October 23, 1985, on the exchange value of the dollar, the causes of its high value, the consequences for U.S. trade, and proposals for addressing the identified problems. The United States is experiencing record trade deficits, caused in large part by a high value of the dollar that acts as a tax on

U.S. exports and as a subsidy for imports. This erosion in our international competitive position jeopardizes the industries with a major dependency on export sales, among which are industries important to our national security and defense production.

Legislation was introduced (S.1860, and S.1866) on November 20, 1985 that would support the steps undertaken by the Administration to enhance coordination of macroeconomic policies by the major industrial countries and also encourage coordinated intervention by these countries in the foreign exchange markets.

Hearings on trade legislation began on May 12, 1986 with a joint hearing of the Subcommittee on International Finance and Monetary Policy with the Subcommitte on International Trade of the Finance Committee. On May 13, 1986, the full Banking Committee held a hearing on trade legislation, and on June 25 the Subcommittee on International Finance and Monetary Policy held an additional hearing. The Committee met on August 14, 1986 and ordered reported an original bill, S.2815, the Export Revitalization Act. This legislation includes provisions regarding exchange rates, international debt, various export promotion provisions, and amendments to the Bank Export Services Act.

Japanese Targeting of U.S. Semiconductor Industry

The United States semiconductor manufacturing industry is in the midst of a major recession. The Subcommittee on International Finance and Monetary Policy held a hearing to review allegations that this business decline was due in large part to unfair Japanese trade practices, both in terms of closed access to the

Japanese domestic market for U.S. producers and in terms of unfair marketing practices by Japanese companies in the U.S. market. Substantial evidence was presented to substantiate these claims, and a strong record was establsihed.

In a related step, the Commerce Department announced on December 6, 1985 that it was self-initiating an anti-dumping investigation on 256K Dynamic Random Access Memory Components (DRAMs) from Japan, which situation had been discussed in detail in the Subcommittee hearing.

Amendments to the Bank Export Services Act

On June 17, 1986, the Subcommittee on International Finance and Monetary Policy held a hearing on S.1934, a bill introduced by Senator Heinz on December 12, 1985, to amend the Bank Export Services Act. The provisions of that bill were amended by the Committee and were reported by the Committee as Title II of S.2815, the Export Revitalization Act.

Business Accounting and Foreign Trade Simplification Act

On June 10, 1986, the Subcommittees on International Finance and Monetary Policy and on Securities held a joint hearing on S.430, the Business Accounting and Foreign Trade Simplification Act, which was introduced on February 7, 1985. The full Committee approved the legislation without amendment on September 17, 1986. This was the third time in the third consecutive Congress that the Committee had reported this legislation, designed to remove ambiguities in the Foreign Corrupt Practices Act that were inhibiting the enforcement of that Act while placing burdens on U.S. business activities unrelated to the purposes of the FCPA.

Export Administration and Export Promotion Activities of the Department of Commerce

On February 19, 1986, the full Committee held a hearing on legislation to authorize appropriations for the export administration and export promotion activities of the Department of Commerce. On March 13, 1986, the Committee approved this legislation as S.2245, which was adopted by the Senate on July 21, 1986. [Additional information on the final disposition of the legislation to be supplied later.]

At the hearing on this legislation the Commerce Department testified that the appropriation request amounts would be adequate to accommodate the creation of the position of Under Secretary of Commerce for Export Administration which was mandated by P.L.99-64 and scheduled to go into effect on October 1, 1986. Subsequent to Senate consideration of the authorizing legislation it became apparent that the Commerce department had miscalculated its budgetary needs, particularly with regard to this mandated reorganization. Therefore, the Committee agreed, as an amendment to legislation extending the Defense Production Act, to delay the effective date for the establishment of the Under Secretary position until Octobr 1, 1987. This measure was enactd as P.O.99-441.

NOMINATIONS REFERRED TO COMMITTEE DURING 99TH CONGRESS 1ST AND 2D SESSIONS

HUFFINGTON, MICHAEL, of Texas, to be an Assistant Secretary of Commerce, vice Lawrence J. Brady, resigned.

Jan. 3, 1985.--Received by Senate and referred to Committee.
Jan. 7, 1985.--Nomination withdrawn.

MORAN, ALFRED CLINTON, of Illinois, to be an Assistant Secretary of Housing and Urban Development, vice Stephen J. Bollinger, deceased.

Jan. 3, 1985.--Received by Senate and referred to Committee.
Mar. 26, 1985.--Reported by Committee.
Mar. 28, 1985.--Confirmed by Senate.

FRANCIS, RICHARD H., of Virginia, to be President of the Solar Energy and Energy Conservation Bank, vice Joseph S. Bracewell.

Jan. 3, 1985.--Received by Senate.
Jan. 21, 1985.--Referred jointly to Senate Committees on Banking, Housing, and Urban Affairs and Energy and Natural Resources.
Mar. 14, 1985.--Reported by Banking Committee.
Sept. 9, 1985.--Nomination resubmitted and referred jointly to Senate Committees on Banking, Housing, and Urban Affairs and Energy and Natural Resources.
Oct. 2, 1985.--Reported by Banking Committee.
Dec. 20, 1985.--Failed of confirmation under Rule 31 of the Standing Rules of the Senate and returned to the President.
Jan. 22, 1986.--Received by Senate and referred to Committee.
Mar. 13, 1986.--Mark-up: reported by Banking Committee.
July 30, 1986.--Reported by Energy Committee.
Aug. 1, 1986.--Confirmed by Senate.

SEGER, MARTHA R., of Michigan, to be a member of the Board of Governors of the Federal Reserve System for a term of 14 years from Feb. 1, 1984, vice Nancy Hays Teeters, te expired.

Jan. 3, 1985.--Received by Senate and referred to Committee.
Mar. 27, 1985.--Hearing.
May 21, 1985.--Mark-up (approved for reporting to Senate by a Committee vote of 11-4).
May 23, 1985.--Reported by Committee.
May 24, 1985.--Report filed by Mr. Garn.Ex. Rept. 99-1
June 13, 1985.--Confirmed by Senate.

HUGHES, RICHARD H., of Oklahoma, to be a member of the Board of Directors of the Export-Import Bank of the United States for a term expiring Jan. 20, 1985, vice James Ernest Yonge, resigned.

Jan. 3, 1985.--Received by Senate and referred to Committee.
Jan. 7, 1985.--Senate received nomination of reappointment to a term expiring Jan. 20, 1987, and referred to Committee.
Mar. 13, 1985.--Hearing.
May 3, 1985.--Reported by Committee.
May 16, 1985.--Confirmed by Senate.

SCHLICHER, BARBARA W., of New Jersey, to be a member of the Board of Directors of the National Corporation for Housing Partnerships for the term expiring Oct. 27, 1987, vice Frank J. Donatelli, resigned.

Jan. 3, 1985.--Received by Senate and referred to Committee.
Mar. 14, 1985.--Reported by Committee.
Mar. 18, 1985.--Confirmed by Senate.

BOHN, JOHN A., JR., of Virginia, to be First Vice President of the Export-Import Bank of the United States for a term expiring Jan. 20, 1989 (reappointment).

Jan. 11, 1985.--Received by Senate and referred to Committee.
Mar. 14, 1985.--Reported by Committee.
Mar. 18, 1985.--Confirmed by Senate.

BECKET, MACDONALD G., of California, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring Sept. 7, 1987 (reappointment).

Feb. 11, 1985.--Received by Senate and referred to Committee.
June 11, 1985.--Reported by Committee.
June 13, 1985.--Confirmed by Senate.

BOONE, KYLE CLAYTON, of North Carolina, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring Sept. 7, 1987 (reappointment).

Feb. 11, 1985.--Received by Senate and referred to Committee.
June 11, 1985.--Reported by Committee.
June 13, 1985.--Confirmed by Senate.

HAMMERMAN, STEPHEN L., of New York, to be a Director of the Securities Investor Protection Corporation for a term expiring December 31, 1985, vice Ralph D. DeNunzio, term expired.

Mar. 21, 1985.--Received by Senate and referred to Committee.
Apr. 26, 1985.--Reported by Committee.
May 1, 1985.--Confirmed by Senate.

SPRINKEL, BERYL W., of Virginia, to be a member of the Council of Economic Advisers, vice Martin S. Feldstein, resigned.

Mar. 29, 1985.--Received by Senate and referred to Committee.
Apr. 2, 1985.--Hearing.
Apr. 4, 1985.--Reported by Committee.
Apr. 17, 1985.--Confirmed by Senate.

ADAMS, PAUL A., of Maryland, to be Inspector General of the Department of Housing and Urban Development, vice Charles L. Dempsey, resigned.

Apr. 1, 1985.--Received by Senate and referred to Committee.
Apr. 2, 1985.--Ordered, by unanimous consent, that if and when reported by the Banking Committee, the nomination be referred to the Governmental Affairs Committee for not to exceed 20 calendar days.
May 8, 1985.--Reported by Banking Committee.
June 5, 1985.--Confirmed by Senate.

WILSON, GLENN R., of Nebraska, to be President, Government National Mortgage Association, vice Robert W. Karpe, resigned.

May 20, 1985.--Received by Senate and referred to Committee.
June 14, 1985.--Hearing.
July 15, 1985.--Reported by Committee.
July 16, 1985.--Confirmed by Senate.

MOORE, THOMAS GALE, of California, to be a member of the Council of Economic Advisers, vice William A. Niskanen, resigned.

May 29, 1985.--Received by Senate and referred to Committee.
June 14, 1985.--Hearing.
June 24, 1985.--Reported by Committee.
June 26, 1985.--Confirmed by Senate.

VERSTANDIG, LEE L., of the District of Columbia, to be Under Secretary of Housing and Urban Development, vice Philip Abrams, resigned.

May 31, 1985.--Received by Senate and referred to Committee.
June 14, 1985.--Hearing.
June 18, 1985.--Reported by Committee.
June 19, 1985.--Confirmed by Senate.

SMART, S. BRUCE, JR., of Connecticut, to be Under Secretary of Commerce for International Trade, vice Lionel H. Olmer, resigned.

June 5, 1985.--Received by Senate and referred to Committee on Finance.
June 26, 1985.--Hearing, Finance Committee.
July 9, 1985.--Referred jointly to Committees on Finance and Banking, Housing, and Urban Affairs.
July 10, 1985.--Referred sequentially to Committees on Finance and Banking.
July 11, 1985.--Hearing, Banking Committee.
July 19, 1985.--Reported by Banking Committee.
July 25, 1985.--Reported by Finance Committee.
July 26, 1985.--Confirmed by Senate.

THOMPSON, ROBERT L., an Assistant Secretary of Agriculture, to be a member of the Board of Directors of the National Consumer Cooperative Bank for a term of 3 years, vice William Gene Lesher.

July 11, 1985.--Received by Senate and referred to Committee.
Nov. 13, 1985.--Reported by Committee.
Nov. 14, 1985.--Confirmed by Senate.

SEIDMAN, L. WILLIAM, of Arizona, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of 6 years, vice William M. Isaac, term expired.

Aug. 1, 1985.--Received by Senate and referred to Committee.
Sept. 19, 1985.--Hearing.
Oct. 10, 1985.--Reported by Committee.
Oct. 16, 1985.--Confirmed by Senate.

BURKHART, ELIZABETH FLORES, of Texas, to be a member of the National Credit Union Administration Board for the term of 6 years expiring Apr. 10, 1991 (reappointment).

Aug. 1, 1985.--Received by Senate and referred to Committee.
Sept. 30, 1985.--Reported by Committee.
Oct. 16, 1985.--Confirmed by Senate.

YURCHUCK, ROGER A., of Ohio, to be a Director of the Securities Investor Protection Corporation for a term expiring December 31, 1987 (reappointment).

Sept. 9, 1985.--Received by Senate and referred to Committee.
Oct. 24, 1985.--Reported by Committee.
Oct. 25, 1985.--Confirmed by Senate.

FREEDENBERG, PAUL, of Maryland, to be an Assistant Secretary of Commerce, vice Lawrence J. Brady, resigned.

Sept. 17, 1985.--Nomination received by Senate.
Sept. 20, 1985.--Referred jointly to Committees on Finance and Banking, Housing and Urban Affairs.
Oct. 2, 1985.--Hearing, Banking Committee.
Oct. 8, 1985.--Hearing, Finance Committee.
Oct. 10, 1985.--Reported by Banking Committee.
Dec. 11, 1985.--Reported by Finance Committee.
Dec. 16, 1985.--Confirmed by Senate.

JEPSEN, ROGER WILLIAM, of Iowa, to be a member of the National Credit Union Administration Board for the remainder of the term expiring August 2, 1987, v Edgar F. Callanan, resigned.

Sept. 17, 1985.--Received by Senate and referred to Committee.
Oct. 2, 1985.--Hearing.
Oct. 9, 1985.--Reported by Committee.
Oct. 16, 1985.--Confirmed by Senate.

GRUNDFEST, JOSEPH A., of the District of Columbia, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1990, vice Charles L. Marinaccio, term expired.

Sept. 17, 1985.--Received by Senate and referred to Committee.
Oct. 2, 1985.--Hearing.
Oct. 22, 1985.--Reported by Committee.
Oct. 25, 1985.--Confirmed by Senate.

FLEISCHMAN, EDWARD H., of New Jersey, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1987, vice James C. Treadway, Jr., resigned.

Oct. 17, 1985.--Received by Senate and referred to Committee.
Nov. 14, 1985.--Hearing.
Dec. 11, 1985.--Reported by Committee.
Dec. 16, 1985.--Confirmed by Senate.

CLARKE, ROBERT LOGAN, of Texas, to be Comptroller of the Currency for a term of 5 years, vice C.T. Conover, resigned.

Oct. 21, 1985.--Received by Senate and referred to Committee.
Nov. 12, 1985.--Hearing.
Nov. 18, 1985.--Reported by Committee.
Nov. 21, 1985.--Confirmed by Senate.

GOOD, ALEXANDER HANSEN, of the District of Columbia, to be Director General of the United States and Foreign Commercial Services, vice Kenneth S. George.

Oct. 28, 1985.--Received by Senate and referred jointly to Committees on Commerce, Science, and Transportation and Banking, Housing, and Urban Affairs.
Nov. 19, 1985.--Hearing held jointly by Banking and Commerce Committees.
Dec. 11, 1985.--Reported by Banking Committee.
Dec. 12, 1985.--Reported by Commerce Committee.
Dec. 16, 1985.--Confirmed by Senate.

GOULD, GEORGE D., of New York, to be Under Secretary of the Treasury, vice Norman B. Ture, resigned.

Aug. 1, 1985.--Received by Senate and referred to Committee on Finance.
Sept. 16, 1985.--Hearing, Finance Committee.
Sept. 18, 1985.--Reported by Finance Committee.
Nov. 5, 1985.--Referred to Committee on Banking, Housing, and Urban Affairs for a period not to extend beyond Nov. 15, 1985.
Nov. 7, 1985.--Hearing, Banking Committee.
Nov. 13, 1985.--Reported by Banking Committee.
Nov. 14, 1985.--Confirmed by Senate.

HUMMEL, FRED E., of California, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring Sept. 7, 1986, vice Herbert H. Swinburne, term expired.

Nov. 12, 1985.--Received by Senate and referred to Committee.
Dec. 11, 1985.--Reported by Committee.
Dec. 16, 1985.--Confirmed by Senate.

WINN, PHILIP D., of Colorado, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring Sept. 7, 1986, vice Rudard A. Jones, term expired.

Nov. 12, 1985.--Received by Senate and referred to Committee.
Dec. 20, 1985.--Nomination ordered to remain in status quo during sine die adjournment, by unanimous consent.
Mar. 13, 1986.--Mark-up; reported by Committee.
Mar. 14, 1986.--Confirmed by Senate.

SOLLARS, FRANK B., of Ohio, to be a member of the Board of Directors of the National Consumer Cooperative Bank for a term of 3 years, reappointment.

Nov. 25, 1985.--Received by Senate.
Nov. 26, 1985.--Referred to Committee.
Dec. 20, 1985.--Nomination ordered to remain in status quo during sine die adjournment, by unanimous consent.
Mar. 13, 1986.--Mark-up; reported by Committee.
Mar. 18, 1986.--Confirmed by Senate.

ANGELL, WAYNE D., of Kansas, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from Feb. 1, 1980, vice Lyle Elden Gramley, resigned.

Dec. 11, 1985.--Received by Senate and referred to Committee.
Dec. 20, 1985.--Failed of confirmation under Rule 31 of the Standing Rules of the Senate and returned to the President.
Jan. 22, 1986.--Received by Senate and referred to Committee.
Jan. 23, 1986.--Hearing.
Feb. 4, 1986.--Reported by Committee after a favorable poll vote of 12 yeas, 2 nays, and 1 not voting.
Feb. 5, 1986.--Confirmed by Senate.

JOHNSON, MANUEL H., of Virginia, to be a member of the Board of Governors of the Federal Reserve System for a term of 14 years from Feb. 1, 1986, vice J. Charles Partee, term expiring.

Dec. 11, 1985.--Received by Senate and referred to Committee.
Dec. 20, 1985.--Failed of confirmation under Rule 31 of the Standing Rules of the Senate and returned to the President.
Jan. 22, 1986.--Received by Senate and referred to Committee.
Jan. 23, 1986.--Hearing.
Feb. 4, 1986.--Reported by Committee after a favorable poll vote of 12 yeas, 2 nays, and 1 voting present.
Feb. 5, 1986.--Confirmed by Senate.

GOLDBERG, DAVID F., of Illinois, to be a Director of the Securities Investor Protection Corporation for a term expiring Dec. 31, 1987, reappointment.

Feb. 4, 1986.--Received by Senate and referred to Committee.
May 21, 1986.--Mark-up; reported by Committee.
June 3, 1986.--Confirmed by Senate.

BOHN, JOHN A., JR., of Virginia, to be President of the Export-Import Bank of the United States for a term of 4 years, vice William H. Draper, III, resigned.

Feb. 19, 1986.--Received by Senate and referred to Committee.
Mar. 13, 1986.--Mark-up; reported by Committee.
Mar. 27, 1986.--Confirmed by Senate.

HOPE, C.C., JR., of North Carolina, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of 6 years, vice Irvine Henry Sprague, term expired.

Mar. 10, 1986.--Received by Senate and referred to Committee.
Mar. 18, 1986.--Hearing.
Mar. 25, 1986.--Mark-up.
Mar. 26, 1986.--Reported by Committee.
Mar. 27, 1986.--Confirmed by Senate.

RYAN, WILLIAM F., of New Jersey, to be First Vice President of the Export-Import Bank of the United States for the remainder of the term expiring Jan. 20, 1989, vice John Bohn, Jr.

Apr. 23, 1986.--Received by Senate and referred to Committee.
June 12, 1986.--Hearing.
July 29, 1986.--Mark-up; reported by Committee.
Aug. 1, 1986.--Confirmed by Senate.

DORSEY, J. MICHAEL, of Missouri, to be an Assistant Secretary of Housing and Urban Development, vice Warren T. Lindquist, resigned.

May 21, 1986.--Received by Senate and referred to Committee.
July 29, 1986.--Mark-up; reported by Committee.
Aug. 1, 1986.--Confirmed by Senate.

JOHNSON, MANUEL H., of Virginia, to be Vice Chairman of the Board of Governors of the Federal Reserve System for a term of 4 years, vice Preston Martin, resigned.

June 3, 1986.--Received by Senate and referred to Committee.
June 12, 1986.--Hearing.
July 29, 1986.--Mark-up; reported by Committee.
Aug. 1, 1986.--Confirmed by Senate.

POPE, DONNA, of Ohio, to be Director of the Mint for a term of 5 years, reappointment.

June 5, 1986.--Recieved by Senate and referred to Committee.
July 29, 1986.--Mark-up; reported by Committee.
Aug. 1, 1986.--Confirmed by Senate

FIREMAN, SIMON C., of Massachusetts, to be a member of the Board of Directors of the Export-Import Bank of the United States for the remainder of the term expiring Jan. 20, 1987, vice Richard H. Hughes, resigned.

June 19, 1986.--Received by Senate and referred to Committee.
Oct. 8, 1986--Confirmed by Senate.

MUSSA, MICHAEL, of Illinois, to be a member of the Council of Economic Advisers, vice William Poole, VII, resigned.

July 15, 1986.--Received by Senate and referred to Committee.
Aug. 5, 1986.--Hearing.
Aug. 13, 1986.--Mark-up; reported by Committee.
Aug. 15, 1986.--Confirmed by Senate.

HELLER, H. ROBERT, of California, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from Feb. 1, 1982, vice Preston Martin resigned.

July 22, 1986.--Received by Senate and referred to Committee.
Aug. 5, 1986.--Hearing.
Aug. 13, 1986.--Mark-up; reported by Committee.
Aug. 15, 1986.--Confirmed by Senate.

DEMERY, THOMAS T., of Michigan, to be an Assistant Secretary of Housing and Urban Development, vice Maurice Lee Barksdale, resigned.

Aug. 12, 1986.--Received by Senate and referred to Committee.

DURYEE, HAROLD T., of the District of Columbia, to be Federal Insurance Administrator, Federal Emergency Management Agency, vice Jeffrey S. Bragg, resigned.

Aug. 15, 1986.--Received by Senate and referred to Committee.
Sept. 18, 1986--Confirmed by Senate

PUBLIC LAWS ENACTED IN THE FIRST SESSION OF THE 99TH CONGRESS

Public Law 99-4 --- H.R. 1251

Mass Transportation projects for fiscal years 1984 and 1985 enacted March 13, 1985

Public Law 99-61 --- H.R. 47

Coin commemeration of the centennial of the Status of Liberty enacted July 9, 1985

Public Law 99-64 --- S.883

To extend the Export Administration Act of 1979 enacted July 12, 1985

Public Law 99-86 --- H.J. Res. 251

enacted August 9, 1985

Gold medal honoring George Gershwin

Public Law 99-120 --- H.J. Res. 393

enacted October 8, 1985

To provide for temporary extension of certain programs relating to housing and community development

Public Law 99-156 --- H.J. Res. 449

enacted November 15, 1985

To provide for the temporary extension of certain programs relating to housing community development

Public Law 99-185 --- S. 1639

To provide for the minting of four gold bullion coins
enacted December 17, 1985

PUBLIC LAWS ENACTED IN THE SECOND SESSION OF THE 99TH CONGRESS

PUBLIC LAW 99--267 H.J. Res. 563

To provide for the temporary extension through Apr. 30, 1986 of certain programs relating to housing and community development.

Mar. 27, 1986.--Enacted.

PUBLIC LAW 99--272 H.R. 3128

To make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process.

Apr. 7, 1986.--Enacted.

PUBLIC LAW 99--278 H.R. 4551

To extend for three months the emergency acquisition and net worth guarantee provisions of the Garn-St Germain Depository Institutions Act of 1982.

Apr. 24, 1986.--Enacted.

PUBLIC LAW 99--289 H.R. 4602

To authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to insure loans and guarantee mortgage-backed securities during fiscal year 1986.

May 2, 1986.--Enacted.

PUBLIC LAW 99--295 S. 1952

To provide for the striking of medals to commemorate the Young Astronaut Program.

May 12, 1986.--Enacted.

PUBLIC LAW 99--298 S. 2308

To authorize the President of the United States to award congressional gold medals to Anatoly and Avital Shcharansky in recognition of their dedication to human rights, and to authorize the Secretary of the Treasury to sell bronze duplicates of those medals.

May 13, 1986.--Enacted.

PUBLIC LAW 99--311 H.R. 1207

To award a special gold medal to the family of Harry Chapin.

May 20, 1986.--Enacted.

PUBLIC LAW 99--345 H.J. Res. 652

To provide for the temporary extension of certain programs relating to housing and community development, and for other purposes.

June 24, 1986.--Enacted.

PUBLIC LAW 99--361 H.R. 237

To amend the Fair Debt Collection Practices Act to provide that any attorney who collects debts on behalf of a client shall be subject to the provisions of such Act.

July 9, 1986.--Enacted.

PUBLIC LAW 99--400 H.R. 5371

To extend until Sept. 15, 1986 the emergency acquisition and net worth guarantee provisions of the Garn-St Germain Depository Institutions Act of 1982.

Aug. 27, 1986.--Enacted.

PUBLIC LAW 99--418 S. 2462

To provide for the awarding of a special gold medal to Aaron Copland.

Sept. 23, 1986.--Enacted.

PUBLIC LAW 99--430 S.J. Res. 353

To provide for the temporary extension of certain programs relating to housing and community development, and for other purposes.

Sept. 30, 1986.--Enacted.

PUBLIC LAW 99--440 H.R. 4868

To prohibit loans to, other investments in, and certain other activities with respect to, South Africa, and for other purposes.

Oct. 2, 1986.--Enacted.

PUBLIC LAW 99--441 H.R. 5480

To extend the expiration date of the Defense Production Act of 1950 and to authorize appropriations for purposes of such Act.

Oct. 3, 1986.--Enacted.

SUMMARY OF THE ACTIVITIES OF THE
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION
99th Congress

During the 99th Congress a total of 219 Senate Bills and Resolutions, 5 amendments and 22 House-passed measures were referred to the Committee on Commerce, Science, and Transportation for consideration.

The Committee reported 73 measures. Thirty-six have become Public Law, and 4 have been vetoed. One measure was still in conference at the time of adjournment. Eleven bills reported from the Committee remained pending on the Senate Calendar at the time of sine die adjournment. Several bills reported or passed became part of the FY86 Budget Reconciliation Act, the FY87 Budget Reconciliation Act, the FY87 Continuing Resolution and the Omnibus Drug bill.

The Committee held 42 days of hearings to review legislation referred to the Committee and 112 days of hearings to fulfill its oversight duties and to review Presidential nominations before the Committee.

A total of 56 nominations, excluding routine National Oceanic and Atmospheric Administration and Coast Guard nominations, were referred to the Committee during the 99th Congress. Fifty nominations were reported by the Committee and confirmed by the Senate; 2 were withdrawn: 3 remained pending in Committed at the time of adjournment; and 1 nomination was not acted upon because the position was abolished.

The Committee held 28 Executive Sessions to consider and report out matters within its jurisdiction.

A listing of the Committee's activities is as follows:

PUBLIC LAWS ENACTED DURING THE 99TH CONGRESS

	PUBLIC LAW	BILL	DATE	TITLE
1.	99-5	H.R. 1093	March 15, 1985	Pacific Salmon Treaty Act of 1985
2.	99-36	S. 597	May 15, 1985	Technical and Conforming Changes in the Shipping Laws
3.	99-45	S. 661	May 24, 1985	George Milligan Control Tower
4.	99-59	S. 413	July 3, 1985	War Risk Insurance Act
5.	99-62	H.R. 2800	July 11, 1985	Land Remote-Sensing Commercialization Act Reauthorization
6.	99-73	H.R. 1617	July 29, 1985	National Bureau of Standards Authorization Act for Fiscal Year 1986
7.	99-97	S. 818	September 26, 1985	Federal Fire Prevention and Control Act Authorization
8.	99-105	S. 817	September 30, 1985	Earthquake Hazards Reduction Act Authorization
9.	99-159	H.R. 1210	November 22, 1985	National Science Foundation Authorization Act for Fiscal Years 1986 and 1987
10.	99-170	H.R. 1714	December 10, 1985	National Aeronautics and Space Administration Authorization Act, 1986
11.	99-171	H.R. 3235	December 9, 1985	Mississippi Technology Transfer Center Act
12.	99-252	S. 1574	February 27, 1986	Comprehensive Smokeless Tobacco Health Education Act of 1986
13.	99-272	H.R. 3128	April 7, 1986	Omnibus Budget Reconciliation Act of 1985 (includes the provisions of S. 679, Maritime Appropriation Authorization Act for Fiscal Year 1986; S. 959, Coastal Zone Management Act Reauthorization; S. 999, Federal Communications Commission Authorization Act of 1985; S. 1084, Corporation for Public Broadcasting Authorization Act of 1985; plus authorizations for Local Rail Assistance Program and Amtrak)
14.	99-307	H.R. 739	May 19, 1986	Revisions to Various Federal Laws Relating to the Operations and Activities of the U.S. Coast Guard (including revision of definition of "Passenger")

15.	99-334	S. 2179	June 6, 1986	Reduction of Terms of Office of Members of the Federal Communications Commission
16.	99-359	S. 2180	July 8, 1986	Federal Fire Prevention and Control Act Authorization
17.	99-382	S. 1073	August 14, 1986	Japanese Technical Literature Act
18.	99-383	H.R. 4184	August 21, 1986	National Science Foundation Authorization
19.	99-432	H.R. 3358	October 1, 1986	Atlantic Striped Bass Conservation Act
20.	99-435	S. 2703	October 2, 1986	Air Carrier Access Act of 1986
21.	99-500	H.J.Res.738	October 18, 1986	Continuing Appropriations for Fiscal Year 1987 (includes the provisions of the Metropolitan Washington Airports transfer, Title VI - re: National and Dulles Airports)
22.	99-502	H.R. 3773	October 20, 1986	Federal Technology Transfer Act of 1985
23.	99-507	H.R. 4212	October 21, 1986	Deep Seabed Hard Mineral Resources Reauthorization Act of 1986
24.	99-509	H.R. 5300	October 21, 1986	Omnibus Budget Reconciliation Act of 1986 (includes Conrail public offering sale; and provisions of S. 2436, Preservation of U. S. Mortgage Rights)
25.	99-516	H.R. 2092	October 22, 1986	Pipeline Safety Authorization
26.	99-521	S. 1124	October 22, 1986	Surface Freight Forwarders Deregulation Act of 1985
27.	99-563	S. 2129	October 27, 1986	Risk Retention Amendments of 1986
28.	99-570	H.R. 5484	October 27, 1986	Anti-Drug Act of 1986 (includes provisions of S. 1903, Commercial Motor Vehicle Safety Act of 1985)
29.	99-574	H.R. 4354	October 28, 1986	National Bureau of Standards Authorization Act for Fiscal Year 1987
30.	99-577	H.R. 5598	October 28, 1986	Transfer of Coast Guard Cutter Taney
31.	99-579	S. 475	October 28, 1986	Motor Vehicle Information and Cost Savings Act Amendments

32.	P.L. 99-618	November 6, 1986	S. 2852, Virginia Airport Land Restriction legislation
33.	P.L. 99-622	November 6, 1986	S.J.Res. 336, Establishment of the Children's Challenger Center for Space Science
34.	P.L. 99-626	November 7, 1986	H.R. 4731, Recreational Boating Safety Act of 1986
35.	P.L. 99-640	November 10, 1986	H.R. 4208, U.S. Coast Guard authorization
36.	Public Law # not yet available	November 14, 1986	S. 991, NOAA Fisheries programs authorization

VETOED

H.R. 2466	Changes in Laws Affecting U.S. Coast Guard

POCKET VETOED

H.R. 4175	Maritime Authorization
H.R. 4961	National Transportation Safety Board authorization
H.R. 5495	NASA authorization

99th CONGRESS

BILL IN CONFERENCE

S. 1078 (Federal Trade Commission Act Amendments of 1985-
A bill to amend the Federal Trade Commission Act
to provide authorization of appropriations , and
for other purposes.)

SENATE-PASSED BILLS

S. 63 *In-Flight Medical Emergencies Act*

A bill to encourage the rendering of in-flight emergency care aboard aircraft by requiring the placement of emergency first aid medical supplies and equipment aboard aircraft and by relieving appropriate persons of liability for the provision and use of such equipment and supplies.

S. 186 *Carrying U.S. Mail on Vessels of U.S. Registry*

A bill to further the development and maintenance of an adequate and well-balanced American merchant marine by requiring that certain mail of the United States be carried on vessels of U.S. registry.

* S. 638 *Conrail Sale Amendments Act of 1985*

A bill to amend the Regional Rail Reorganization Act of 1973 to provide for the transfer of ownership of the Consolidated Rail Corporation to the private sector, and other purposes.

S. 679 *Maritime Appropriation Authorization Act for Fiscal Year 1986*

S. 813 *Pipeline Safety Programs Authorization*

A bill to amend the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979 to authorize appropriations for fiscal years 1986 and 1987, and for other purposes.

S. 863 *National Highway Traffic Safety Administration Authorization Act of 1985*

A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 and the Motor Vehicle Information and Cost Savings Act to authorize appropriations for fiscal years 1986 and 1987, and for other purposes.

S. 990 *National Oceanic and Atmospheric Administration Program Support Authorization Act*

A bill to consolidate and authorize program support and certain ocean and coastal programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce.

★ S. 1017 *Metropolitan Washington Airports Transfer Act of 1985*

A bill to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

S. 1077 *Consumer Product Safety Commission Authorization Act of 1985*

A bill to amend the Consumer Product Safety Act (15 U.S.C. 2051 et seq.) to provide authorization of appropriations, and for other purposes.

S. 1078 *Federal Trade Commission Act Amendments of 1985*

A bill to amend the Federal Trade Commission Act to provide authorization of appropriations, and for other purposes.

S. 1080 *Federal Railroad Safety Act Amendments*

A bill to amend the Federal Railroad Safety Act of 1970 to authorize additional appropriations, and for other purposes.

S. 1103 *National Oceanic and Atmospheric Administration Atmospheric and Satellite Program Authorization Act of 1985*

A bill to authorize certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes.

S. 1750 *Federal Aviation Act Amendments*

A bill to amend the Federal Aviation Act of 1958, as amended, to increase civil penalty limits for safety violations by persons engaged in commercial aircraft operations, and for other purposes.

S. 1935 *Revitalizing the Domestic Cruise Ship Industry*

A bill to direct the Secretary of the department in which the Coast Guard is operating to cause certain vessels to be documented as vessels of the United States so as to be entitled to engage in the domestic coastwise trade, and for other purposes.

S. 2054 *Donations for New Challenger II Shuttle*

A bill to provide that the National Aeronautics and Space Administration may accept gifts and donations for a space shuttle which may be named *Challenger II.*

S. 2307 *U.S. Travel and Tourism Administration Reauthorization*

A bill to provide authorization of appropriations for activities of the U.S. Travel and Tourism Administration.

S. 2417 *Aviation Safety Commission Act of 1986*

A bill to establish the Aviation Safety Commission Act, and for other purposes.

S. Con Res. 95 *Recognition of Contributions of Consumers Union*

A concurrent resolution to recognize and honor the contributions of Consumers Union.

S. Con. Res. 137 *Support for National STORM Program*

A concurrent resolution expressing the sense of the Congress that the Federal Government take immediate steps to support a national STORM program.

S. Res. 180 *Budget Waiver for S. 1279*

An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1279.

S. Res. 203 *Budget Waiver for H.R. 2796*

An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of H.R. 2796.

S. Res. 254 *Budget Waiver for S. 1073*

An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1073.

S. Res. 298 *Expression of Support and Encouragement for U.S. Disabled Ski Team*

A resolution expressing support and encouragement of the Senate for the U.S. Disabled Ski Team at the 1986 World Disabled Ski Championships to be held in Salem, Sweden, on April 6 through April 17, 1986.

S. Res. 332 *Honoring Challenger Space Shuttle Astronauts*

A resolution to honor the *Challenger* Space Shuttle Astronauts.

H. R. 2796 *Foreign Air Travel Security Act of 1985*

A bill to improve security standards for international air transportation.

* Provisions incorporated into other legislation.

COMMITTEE-REPORTED BILLS

S. 259 *Professional Sports Community Protection Act of 1985*

A bill to protect the public interest in stable relationships among communities, professional sports teams and leagues and in the successful operation of such teams in communities throughout the Nation, and for other purposes.

S. 374 *U.S. Travel and Tourism Administration Appropriations Authorization*

A bill to provide authorization of appropriations for the U.S. Travel and Tourism Administration.

S. 721 *Agricultural Trade Amendment Act of 1985*

A bill to amend the Commodity Credit Corporation Charter Act regarding the export of agricultural commodities.

* S. 796 *National Bureau of Standards Authorization Act for Fiscal Year 1986*

A bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1986, and for other purposes.

* S. 903 *National Science Foundation Authorization Act for Fiscal Year 1986*

An original bill to authorize appropriations for the National Science Foundation for fiscal year 1986, and for other purposes.

S. 958 *Magnuson Fishery Conservation and Management Act Reauthorization*

A bill to provide authorization of appropriations for activities under the Magnuson Fishery Conservation and Management Act.

* S. 959 *Coastal Zone Management Act Reauthorization*

A bill to amend the Coastal Zone Management Act of 1972 to provide authorization of appropriations, and for other purposes.

* S. 999 *Federal Communications Commission Authorization Act of 1985*

A bill to amend the Communications Act of 1934 to provide authorization of appropriations for the Federal Communications Commission, and for other purposes.

S. 1079 *National Telecommunications and Information Administration Authorization*

A bill to provide authorization of appropriations for activities of the National Telecommunications and Information Administration.

* S. 1084 *Corporation for Public Broadcasting Authorization Act of 1985*

A bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1097 *Methanol and Ethanol Vehicle Incentives Act of 1985*

A bill to amend the Motor Vehicle Information and Cost Savings Act to provide for the appropriate treatment of methanol.

S. 1218 *International Air Transportation Protection Act of 1985*

A bill to amend the Federal Aviation Act of 1958 to provide for the revocation of certain certificates for air transportation, and for other purposes.

* S. 1279 *Land Remote-Sensing Commercialization Act Reauthorization*

A bill to provide authorization of appropriations for activities under the Land Remote-Sensing Commercialization Act of 1984.

* S. 1903 *Commercial Motor Vehicle Safety Act of 1985*

A bill to improve the safe operations of commercial motor vehicles, and for other purposes.

S. 1966 *Use of Operating Rights at Congested Airports*

A bill to provide for efficient and equitable use of operating rights at congested airports, and for other purposes.

*S. 2184 *National Science Foundation Authorization Act for Fiscal Year 1987*

A bill to authorize appropriations to the National Science Foundation for the fiscal year 1987, and for other purposes.

S. 2611 *Driftnet Impact Monitoring, Assessment, and Control Act of 1986*

A bill to improve efforts to monitor, assess, and reduce the adverse impact of driftnets.

*S. 2664 *National Bureau of Standards Authorization Act for Fiscal Year 1987*

A bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1987, and for other purposes.

S. 2708 *National Oceanic and Atmospheric Administration Atmospheric and Satellite Program Authorization Act of 1986*

A bill to authorize certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes.

* S. 2714 *National Aeronautics and Space Administration Authorization Act, 1986*

A bill to authorize appropriations for the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes.

S. 2760 *Product Liability Reform Act*

An original bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 2794 *General Aviation Accident Liability Standards Act of 1986*

An original bill to regulate interstate commerce by providing for uniform standards of liability for harm arising out of general aviation accidents.

* S. 2807 *Independent Safety Board Act Amendments of 1986*

An original bill to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1987, 1988, and 1989, and for other purposes.

* S. Res. 107 *Authorizes Committee Expenditures ($3,762,156)*

An original resolution authorizing expenditures by the Committee on Commerce, Science, and Transportation.

* S. Res. 326 *Authorizes Committee Expenditures ($3,312,233)*

An original resolution authorizing expenditures by the Committee on Commerce, Science, and Transportation.

H. R. 2935 *Seafood Marketing Councils Act*

A bill to promote the consumption of fish and fish products in the United States through the establishment of seafood marketing councils, and for other purposes.

* Provisions incorporated into other legislation

AVIATION SUBCOMMITTEE

LEGISLATION

Transfer of Metropolitan Washington Airports

The Metropolitan Washington Airports Act of 1986, S. 1017, provides for the lease of Washington National Airport and the Dulles Access Highway and Right-of-Way to an independent Airports Authority with a Board of Directors composed of a Presidential appointee and representatives of the Commonwealth of Virginia, the State of Maryland and the District of Columbia. The Authority would manage the airports and be empowered to issue bonds to raise money for much-needed improvements to the airports and airport facilities, such as access roads and parking. The legislation would eliminate direct federal government responsibility for management of these airports.

After two days of hearings in 1985, the Committee reported S. 1017 on Nov. 20th and the Senate passed the measure the following spring. Provisions similar to S. 1017, with modifications made by the House, were enacted as part of the FY87 Continuing Resolution.

Air Traveler Protection Act of 1985

The Air Traveler Protection Act does the following: requires the Transportation Secretary to assess security at international airports and to inform foreign governments about any inadequacies; empowers the Secretary to suspend U.S. carriers' authority to serve airports where a serious threat to U.S. travelers exists; requires the Secretary to study the need for an expanded air marshal program; increases the authority of air marshals to carry fire arms and make arrests; and authorizes expenditures from the Airport and Airway Trust Fund for research into technology for explosives detection. Provisions similar to this measure, S. 1436, were enacted in August, 1985, as part of Title V of the International Security and Development Cooperation Act.

Air Carrier Access Act of 1986

The Air Carrier Access Act, signed into law on Oct. 2, 1986, prohibits airlines from discriminating against handicapped passengers. Within 120 days the Transportation Secretary must promulgate regulations to ensure non-discriminatory treatment by air carriers of handicapped individuals consistent with safe carriage of all passengers on air carriers.

Aviation Safety Commission Act of 1986

The Aviation Safety Commission Act requires the President to establish a seven-member Aviation Safety Commission to study the organization and functions of the Federal Aviation Administration (FAA) and the means by which it may most effectively and efficiently perform its responsibilities with respect to aviation safety. The Committee reported S. 2417 in August, 1986. A modified version of this measure was enacted as part of the FY87 Continuing Resolution.

General Aviation Accident Liability Standards Act of 1986

S. 2794 would establish uniform federal product liability standards, for harm caused by a general aviation accident to occupants of a general aviation aircraft. Product liability actions arising out of a general aviation accident could be brought in either state or federal court and would be subject to the liability standards established by the bill. S. 2794 would create federal causes of action for manufacture of products unreasonably dangerous for their intended use for failure to warn, and for breach of express warranty. After hearings in July, 1986, the Committee reported the bill on September 3rd. S. 2794 failed as a floor amendment to the FY87 Reconciliation bill by a vote of 43-52 on the question of germaneness.

Use of Operating Rights at Congested Airports

S. 1966 would repeal the Transportation Department's 1985 rule regarding slot allocation and transfer methods at high density traffic airports. The bill would require the Transportation Secretary to use either scheduling committees or some other form of non-market mechanism to allocate take-off and landing slots at high-density airports. After the Committee reported the bill in March, 1986, Senator Kassebaum successfully offered it as a floor amendment to the Metropolitan Washington Airports Transfer Act as originally passed by the Senate. However, the provision was not part of the transfer language enacted as part of the FY87 Continuing Resolution.

HEARINGS

The Subcommittee held hearings on the following topics: a review of aviation safety in connection with Federal Aviation Administration oversight, exploring wind shear problems, the status of the air traffic control system, and the adequacy of aircraft inspections and maintenance; the impact of debt ceiling legislation on aviation funding and safety; the safety of the aging commercial fleet; the competitive impact of airline computer reservations systems and the effectiveness of DOT rules developed to ensure that these systems are not anticompetitive; the condition of the regional airline industry in light of deregulation and current safety concerns; airline mergers, acquisitions and the question of labor protection; and the National Academy of Sciences' (NAS) report titled The Airliner Cabin Environment which addressed issues such as cabin air quality, cabin environment, emergency procedures, worldwide airline regulations and data collections.

BUSINESS, TRADE, AND TOURISM SUBCOMMITTEE

LEGISLATION

The Committee reported authorization legislation for the United States Travel and Tourism Administration in both the first and second sessions of the 99th Congress. In July, 1986, the Senate passed S. 2307, which is an FY87-89 authorization. However, the House did not take action on this measure prior to adjournment.

HEARINGS

The Subcommittee held oversight hearings on the following topics: the promotion of domestic tourism; the availability and affordability of insurance in various property and casualty lines; and the statistical needs of the travel and tourism industry, including the data gathering activities of various federal agencies, private industry's input in such activities, and the data insufficiencies which remain.

COMMUNICATIONS SUBCOMMITTEE

LEGISLATION

1985 Budget Reconciliation

The FY85 Reconciliation Act, signed into law on April 7, 1986, included a Federal Communications Commission fee schedule to assess charges for the FCC's regulatory services. It also authorized the Commission through FY87; the Corporation for Public Broadcasting through FY90; and the Commerce Department's Public Telecommunications Facilities Program through FY87.

Federal Communications Commission Terms

S. 2179, enacted into law in June, 1986, decreases, from 7 to 5 years, the terms of the FCC Commissioners; adjusts the terms of two seats to ensure that a term expires in 1989 and 1990; and ensures that the terms of sitting Commissioners are not affected.

HEARINGS

The Subcommittee held hearings on the following topics: long distance telephone competition; the need for record labeling; and the scrambling of satellite television signals and the need for federal regulation thereof.

The Committee also held hearings on S. 2565, the Federal Telecommunications Policy Act of 1986, introduced by Senator Dole, and on Senator Danforth's proposed amendments to this measure. S. 2565 would shift the administrative and enforcement authority of the AT&T and the GTE consent decrees from the federal court to the Federal Communications Commission. Senator Danforth introduced a package of amendments to S. 2565 to give guidance to the FCC regarding national telecommunications policy and provide safeguards for ratepayers and competition.

"Must Carry" Regulations

Until a 1985 court decision declared them unconstitutional, the FCC's "must-carry" regulations required cable systems to carry all local television signals. After this decision, and at the request of Members of Congress, the FCC began a rule-making procedure to determine which regulatory revisions should be made. On July 22, 1986, Senator Danforth sent a detailed letter to the FCC containing his views and recommendations on this issue. His proposal was based on the "industry compromise", but covered all cable systems, regardless of size, and added protections for public stations and new independent stations. In August, 1986, the Commission adopted new rules that will sunset in 5 years. These interim rules will require cable systems to devote 25% of their channel capacity to the carriage of local television signals.

CONSUMER SUBCOMMITTEE

LEGISLATION

Product Liability Reform

The most complex and controversial legislation before this Subcommittee concerned product liability reform. Various proposals for comprehensive reform of product liability law, were examined during a total of seven days of hearings. One such proposal, S. 100, was defeated during the May 16, 1985 Executive Session. In June, 1986, the Committee met in Executive Session on six occasions before reporting S. 2760, the Product Liability Reform Act of 1986, on June 26th. Although the Senate did not complete action on S. 2760 prior to adjournment, on September 27th the Senate voted 97-1 to invoke cloture on the motion to proceed and 84-13 in favor of the motion itself.

Risk Retention

On March 20, 1986, the Consumer Subcommittee held a hearing on S. 2129, a measure introduced to expand the Product Liability Risk Retention Act of 1981 to permit the inter-state formation of risk retention groups (self-insurance cooperatives) and collective purchasing groups for other liability insurance coverage in addition to product liability. On March 27, the Committee reported S. 2129. This measure was further amended during floor debate in both the Senate and the House. Congress passed the amended version of S. 2129 on October 9th and it has since been signed into law.

Authorizations

S. 1078, the Federal Trade Commission Act Amendments of 1985, was adopted by the Senate by a vote of 84-5 on July 26, 1985. Although a House-Senate conference did not complete action on a compromise measure prior to adjournment, S. 1078 was the first FTC authorization to pass the Senate in over five years. The Senate also passed S. 1077, the Consumer Product Safety Commission authorization, during the 1st session. S. 1077 included a Senate floor amendment to establish a commission to review fixed-site amusement park standards. Although the House amended and returned S. 1077 to the Senate, no final compromise on this measure was reached prior to adjournment.

Smokeless Tobacco and Health Education Act

S. 1574, the Comprehensive Smokeless Tobacco and Health Education Act of 1985, which provides for health warning labels on all smokeless tobacco products, was sequentially reported by the Labor and Human Resources Committee and the Commerce Committee during the 1st session. House amendments to S. 1574 were approved by the Senate early in the 2nd session. The President signed the measure into law on February 27, 1986.

Sports Franchise legislation

In February 1985, two days of full Committee hearings were held on S. 259, the Professional Sports Community Protection Amendments of 1985. The Commerce Committee reported this measure, designed to require sports franchises to satisfy certain requirements before relocating, on April 2, 1985.

HEARINGS

In conjunction with the Committee's work on the rising cost and unavailability of liability insurance, two full Committee hearings were held on February 19 and March 4, 1986 to hear testimony on this problem. This testimony demonstrated that these problems are not limited to a few lines of coverage and that commercial insurance companies sometimes are unable to provide needed coverage or unwilling to offer adequate liability insurance coverage at affordable rates. These hearings contributed to the Committee's efforts in the enactment of the Risk Retention Amendments of 1986.

MERCHANT MARINE SUBCOMMITTEE/
NATIONAL OCEAN POLICY STUDY

Fisheries Conservation and Management

Comprehensive fisheries legislation (S. 991) was enacted at the end of the 2nd Session. The Senate first passed this measure in May, 1985. The House returned the bill with amendments the following August. The final legislative package reauthorizes and amends a number of statutes to improve fisheries conservation and management, including: the Magnuson Fishery Conservation and Management Act; the Interjurisdictional Fisheries Act; the NOAA Marine Fisheries Program authorization; the Anadromous Fish Conservation Act; the Central, Western and South Pacific Fishery Development Act; and the Great Lakes Fishery Act. The new law also creates a National Fish and Seafood Promotional Council to promote increased consumption of and markets for United States fishery products.

Maritime Loan Guarantees

Early in the 2nd Session, the Committee held hearings on bills (S. 1992 and S. 1993) introduced on behalf of the Administration to reform the treatment of vessels secured by

Federal loan guarantees that are held by defaulting debtors in bankruptcy. The Committee reported legislation on July 23, 1986, which was then enacted as part of the Omnibus Budget Reconciliation Act of 1986. The legislation permits the Secretaries of Transportation and Commerce to foreclose on vessels guaranteed under Title XI that are owned by defaulting debtors who have commenced chapter 11 bankruptcy proceedings after August 1, 1986.

Cruise Ship Revitalization

Following hearings in June 1986, the Committee reported without objection S. 1935, the Passenger Ship Act of 1986, with amendments. S. 1935, as reported, is a carefully-crafted compromise designed to achieve the revitalization of the domestic cruise vessel industry without adversely impacting on current efforts to build and refurbish deep-water cruise vessels in the United States. The legislation would permit the documentation and operation of certain foreign-built cruise vessels in the coastwise passenger trade if construction or refurbishment of two U.S.-built deep-water passenger vessels have not been substantially completed by September 1, 1988. S. 1935 was passed by the Senate on September 24, 1986. No agreement was reached with the House on comparable legislation.

Driftnets

Based upon an oversight hearing during the 1st Session, the Committee reported S. 2611, the Driftnet Impact Monitoring, Assessment and Control Act of 1986, on October 6, 1986. The legislation would improve efforts to assess and reduce the adverse effects on fish, marine mammals, and seabirds of the more than 1 million miles of plastic driftnets set each year by Japanese, Korean, and Taiwanese fishermen in the North Pacific Ocean.

HEARINGS

The Committee held oversight hearings in March and October, 1985 to examine fishing vessel safety and insurance issues. Commercial fishing is among the most hazardous activities. Insurance premiums have increased dramatically and insurance in some cases is unavailable at any price. Testimony was received from representatives of the National Marine Fisheries Service, the Coast Guard, fishing vessel operators, the insurance industry, and academia.

SCIENCE, TECHNOLOGY, AND SPACE SUBCOMMITTEE

LEGISLATION

National Aeronautics and Space Administration Authorizations

The FY86 authorization, enacted during the 1st Session, included: funding to build and launch the Hubble Space Telescope; and funding for scientific missions to explore Jupiter, the Sun, and Venus.

As a result of the January 28, 1986 Challenger Shuttle accident, the Committee held three hearings devoted solely to the accident and the Rogers Commission report. Six additional hearings were held on NASA oversight. The FY87 authorization, approved by both the House and the Senate at the end of the 2nd session, includes: funding for a fourth orbiter to replace the Challenger; funding to implement the recommendations of the Rogers Commission on the Challenger accident; creation of a National Space Commission to set space policy; and a reversal of the policy of reliance on the space shuttle as the primary means of access to space. This measure also includes the FY87 authorization of the National Oceanic and Atmospheric Administration's satellite and atmospheric programs.

Daylight Saving Time Extension

This legislation moves the beginning of Daylight Saving Time from the last Sunday in April to the first Sunday. Since the Committee did not report this extension as a separate measure, it was enacted as an amendment to S. 2180, the Fire Prevention and Control Act.

Federal Technology Transfer Act

This legislation, enacted during the 2nd session, allows federal laboratories to do cooperative research with private industry, universities, and others. It also creates the Federal Laboratory Consortium for Technology Transfer and directs federal agencies to share royalties with inventors.

Japanese Technical Literature Act

This legislation improves the Department of Commerce's program to make technical literature produced in Japan more accessible to American researchers and businesses.

Other Authorizations

The FY87 National Bureau of Standards authorization included the creation of an experimental personnel system and funding of a cold neutron research facility.

During the 1st session, the Committee reached an agreement with the Labor and Human Resources Committee for sequential referral of authorization legislation for the National Science Foundation. Consequently, for the first time in over five years, Congress enacted FY86 and FY87 authorizations for the Foundation.

Both the House and the Senate passed legislation authorization NOAA's satellite and atmospheric programs for FY87, included as a provision in the NASA authorization. Highlights include funding to maintain two polar-orbiting weather satellites; funding to restore two geostationary weather satellites, one of which has been out of service since 1984; and funding for a new weather radar system which will improve our ability to predict local, severe storms.

HEARINGS

The Subcommittee held a number of other authorization and oversight hearings on such statutes and programs as within its jurisdiction, including the Federal Fire Prevention and Control Act and the Earthquake Hazards Reduction Act. The Subcommittee also held a hearing on the 1985 earthquake in Mexico City and on U.S. preparedness for similar earthquakes in this country.

SURFACE TRANSPORTATION SUBCOMMITTEE

LEGISLATION

Sale of Conrail

The Conrail Privatization Act provides for the sale of Conrail by means of a public offering. Under the Act, the Secretary of Transportation is directed to retain a group of investment bankers to help manage the sale and put together an underwriting syndicate. After the sale, Conrail management is required to operate the railroad subject to a series of five-year public interest obligations intended to ensure continued rail service, to protect the interest of Conrail's employees, and to ensure Conrail's long-term viability.

Early during the 1st session, the Committee held four days of hearings on the sale of Conrail. S. 638, a bill providing for the sale of Conrail to Norfolk Southern Corporation, was introduced in March, 1985. In April the Committee amended and reported S. 638. The Senate passed the bill the following February. The public offering sale was enacted instead as part of the FY87 Reconciliation Act after the House refused to approve S. 638. While the sale to Norfolk Southern was the Senate's first preference, the Senate's insistence in conference on the inclusion of the public interest obligations and other provisions made the public offering an acceptable alternative for selling Conrail.

Truck and Bus Driver Licensing

The Commercial Motor Vehicle Safety Act of 1986 requires the Secretary of Transportation to establish uniform standards requiring commercial truck and bus drivers to pass meaningful written and driving examinations. Special qualifications are to be established for drivers of hazardous materials vehicles. States are to issue licenses in accordance with these uniform standards after checking with a newly created information system to determine that the driver had no other licenses. This would stop truck and bus drivers from spreading violation points over multiple licenses. In addition, the Act provides more money for incentive grants to states to encourage them to conduct more frequent inspections of truck and bus equipment and drivers. Finally, it provides for mandatory suspension and revocation of the licenses of commercial drivers who operate vehicles under the influence of drugs or alcohol or habitually speed or drive recklessly.

S. 1903 was introduced in December,1985 and a hearing on the bill was held the next July. The Committee amended S. 1903 and reported it in August. In September, it was added as an amendment to H.R. 5484, the Omnibus Drug Enforcement, Education, and Control Act.

National Highway Traffic Safety Administration Authorization Act of 1985

S. 863 authorizes the National Highway Traffic Safety Administration for fiscal years 1986 and 1987. It also promotes automotive safety by requiring an improved side impact protection standard, requiring development of a crashworthiness rating system, and providing funds for air bag and seat belt education. The Committee reported this measure in April, 1985 and it passed the Senate in May, 1986. In October, 1986, the House passed an amended version of S. 863 which did not include any of the Senate's safety provisions and no compromise bill was successfully negotiated prior to adjournment.

Amtrak Reauthorization Act of 1985

This measure, enacted as part of the FY86 Reconciliation Act, authorizes FY86, FY87 and FY88 funds for Amtrak. It also provides Amtrak with additional authority to increase revenues and cut costs in order to operate its system within these funding levels. After a hearing early in the 1st session, the Committee included this authorization in its FY86 Budget Reconciliation instructions. A floor amendment to the Reconciliation Act incorporated additional provisions to increase Amtrak revenues and reduce costs.

Surface Freight Forwarder Deregulation Act of 1986

This measure, S. 1124, introduced in May, 1985 and passed with amendments by Congress at the end of the second session, eliminates all federal and state economic regulation of general commodities surface freight forwarders, except that pertaining to insurance and cargo liability. This legislation, which does not change safety regulation, enables freight forwarders to compete with other transportation intermediaries such as shippers' associations, shipper agents and brokers which were subject to far fewer regulatory restrictions.

Odometer Fraud

The Motor Vehicle Information and Cost Savings Act Amendments, which Congress amended and passed toward the end of the second session, prohibits registration or licensing of a vehicle whose ownership is transferred unless: (1) the new owner submits the previous owner's most recent registration card and title, and (2) the title issued to the new owner contains the odometer reading supplied by the seller. It also increases the criminal and civil penalties for odometer tampering.

Methanol and Ethanol Vehicle Incentives Act of 1985

The Methanol and Ethanol Vehicle Incentives Act provides incentives to auto manufacturers to produce vehicles with the ability to use methanol or ethanol instead of gasoline. The Committee reported this measure during the first session.

HEARINGS

The Committee held seven hearings that focused on auto and truck issues during the 99th Congress. Four of those hearings focused on auto and truck safety while three of the hearings examined the effects of trucking deregulation. The safety hearings explored the following topics: the National Highway Traffic Safety Administration's (NHTSA) efforts to develop a side impact standard for cars and a splash and spray standard for trucks; the increasing number of truck accidents on our nation's highways and the Bureau of Motor Carrier Safety's (BMCS) effort to reduce that trend; and the problem of alcohol and drug abuse in the transportation industry. Three hearings examined the effects of trucking deregulation on consumers, the trucking industry, the busing industry and the household goods transportation industry; the problems of insurance in the trucking industry; and the implementation of new truck size standards. The Subcommittee also held two hearings on railroad issues, one on the effects of the Staggers Rail Act of 1980 and one on the formation and operation of short line and regional railroads and the effect the imposition of labor protection would have on the formation of these railroads.

CONFIRMED NOMINATIONS

Department of Commerce

Good, Alexander Hansen, to be Director General of the United States and Foreign Commercial Service

Dec. 11, 1985: Approved by Committee on Banking, Housing, and Urban Affairs
Dec. 12, 1985: Approved by Commerce Committee
Dec. 16, 1985: Confirmed

Ortner, Robert, to be Under Secretary of Commerce for Economic Affairs

March 25, 1985: Approved by Committee
July 21, 1986: Confirmed

Riggs, Douglas A., to be General Counsel of the Department of Commerce

May 6, 1985: Approved by Committee
May 15, 1985: Confirmed

Sikes, Alfred C., to be Assistant Secretary of Commerce for Communications and Information

March 13, 1986: Approved by Committee
March 14, 1986: Confirmed

Communications Satellite Corporation

Freeman, Neal B., to be a Member of the Board of Directors of the Communications Satellite Corporation

November 14, 1985: Approved by Committee
November 18, 1985: Confirmed

McManus, Michael A., Jr., to be a Member of the Board of Directors of the Communications Satellite Corporation

November 14, 1985: Approved by Committee
November 18, 1985: Confirmed

Consumer Product Safety Commission

Dawson, Carol Gene, to be a Commissioner of the Consumer Product Safety Commission

March 8, 1985: Approved by Committee
March 18, 1985: Confirmed

Dawson, Carol Gene, to be a Commissioner of the Consumer Product Safety Commission, reappointment

November 14, 1985: Approved by Committee
November 21, 1985: Confirmed

Graham, Anne, to be a Commissioner of the Consumer Product Safety Commission

November 14, 1985: Approved by Committee
December 17, 1985: Confirmed

Scanlon, Terrence M., to be Chairman of the Consumer Product Safety Commission

December 12, 1985: Approved by Committee
December 19, 1985: Senate gave unanimous consent for the nomination to remain in Senate status quo during adjournment
July 15, 1986: confirmed on a roll call vote of 63 yeas to 33 nays

Corporation for Public Broadcasting

Brenner, Daniel L., to be a Member of the Board of Directors of the Corporation for Public Broadcasting

October 18, 1986: Commerce Committee discharged by unanimous consent
October 18, 1986: Confirmed

Towery, R. Kenneth, to be a Member of the Board of Directors of the Corporation for Public Broadcasting

October 18, 1986: Commerce Committee discharged by unanimous consent
October 18, 1986: Confirmed

Federal Aviation Administration

Jones, Richard H., to be Deputy Administrator of the Federal Aviation Administration

March 8, 1985: Approved by Committee
March 18, 1985: Confirmed

Federal Communications Commission

Dennis, Patricia Diaz, to be a Member of the Federal Communications Commission

June 12, 1986: Approved by Committee
June 13, 1986: Confirmed

Patrick, Dennis R., to be a Member of the Federal Communications Commission

July 18, 1985: Approved by Committee
July 19, 1985: Confirmed

Federal Maritime Commission

Carey, James J., to be a Federal Maritime Commissioner

December 12, 1985: Approved by Committee
December 16, 1985: Confirmed

Hickey, Edward V., Jr., to be a Federal Maritime Commissioner

October 31, 1985: Approved by Committee
November 4, 1985: Confirmed

Hickey, Edward V., Jr., to be a Federal Maritime Commissioner, reappointment

June 25, 1986: Approved by Committee
June 26, 1986: Confirmed

Ivancie, Francis J., to be a Federal Maritime Commissioner

November 14, 1985: Approved by Committee
November 18, 1985: Confirmed

Philbin, Edward J., to be a Federal Maritime Commissioner

March 8, 1985: Approved by Committee
March 18, 1985: Confirmed

Federal Trade Commission

Azcuenaga, Mary L., to be a Federal Trade Commissioner

March 8, 1985: Approved by Committee
March 18, 1985: Confirmed

Oliver, Daniel, to be a Federal Trade Commissioner

March 13, 1986: Approved by Committee
April 16, 1986: Confirmed

Strenio, Andrew John, Jr., to be a Federal Trade Commissioner

March 13, 1986: Approved by Committee
March 14, 1986: Confirmed

Interstate Commerce Commission

Lamboley, Paul H., to be a Member of the Interstate Commerce Commission

March 13, 1986: Approved by Committee
March 14, 1986: Confirmed

Simmons, J.J. III, to be a Member of the Interstate Commerce Commission

March 13, 1986: Approved by Committee
March 14, 1986: Confirmed

Marine Mammal Commission

Elsner, Robert, to be a Member of the Marine Mammal Commission

December 12, 1985: Approved by Committee
December 16, 1985: Confirmed

Pryor, Karen, to be a Member of the Marine Mammal Commission

November 14, 1985: Approved by Committee
November 18, 1985: Confirmed

National Aeronautics and Space Administration

Colvin, Bill D., to be Inspector General, National Aeronautics and Space Administration

September 24, 1985: Approved by Commerce Committee
October 2, 1985: Approved by Governmental Affairs Committee
October 16, 1985: Confirmed

Fletcher, James C., to be Administrator of the National Aeronautics and Space Administration

April 30, 1986: Approved by Committee
May 6, 1986: Confirmed on a roll call vote of 89 yeas to 9 nays

Graham, William Robert, to be Deputy Administrator of the National Aeronautics and Space Administration

November 14, 1985: Approved by Committee
November 18, 1985: Confirmed

Myers, Dale D., to be Deputy Administrator of the National Aeronautics and Space Administration

September 24, 1986: Approved by Committee
October 1, 1986: Confirmed

National Oceanic and Atmospheric Administration

Calio, Anthony J., to be Administrator of the National Oceanic and Atmospheric Administration

September 11, 1985: Approved by Committee
October 4, 1985: Confirmed

Eull, Rear Adm. Wesley V., NOAA, to the grade of rear admiral while serving as Director, Charing and Geodetic Services, National Ocean Service, National Oceanic and Atmospheric Administration

October 18, 1986: Commerce Committee discharged by unanimous consent
October 18, 1986: Confirmed

Mack, James Curtis, II, to be Deputy Administrator of the National Oceanic and Atmospheric Administration

November 14, 1985: Approved by Committee
November 18, 1985: Confirmed

Moran, Rear Adm. Francis D., NOAA, to be Director of the Commissioned Officer Corps, National Oceanic and Atmospheric Administration

July 23, 1986: Approved by Committee
July 24, 1986: Confirmed

National Transportation Safety Board

Burnett, James Eugene, Jr., to be a Member of the National Transportation Safety Board

March 25, 1986: Approved by Committee
March 27, 1986: Confirmed

Burnett, James Eugene, Jr., to be Chairman of the National Transportation Safety Board

August 7, 1986: Approved by Committee
August 11, 1986: Confirmed

Lauber, John K., to be a Member of the National Transportation Safety Board

November 14, 1985: Approved by Committee
November 18, 1985: Confirmed

Nall, Joseph Trippe, to be a Member of the National Transportation Safety Board

March 25, 1986: Approved by Committee
March 27, 1986: Confirmed

Office of Science and Technology Policy

Graham, William R., to be Director of the Office of Science and Technology Policy

September 24, 1986: Approved by Committee
October 1, 1986: Confirmed

Saint Lawrence Seaway Development Corporation

McKenna, Leo C., to be a Member of the Advisory Board of the Saint Lawrence Seaway Development Corporation

September 24, 1985: Approved by Committee
October 16, 1985: Confirmed

Department of Transportation

Dorn, Jennifer Lynn, to be Associate Deputy Secretary of Transportation

November 14, 1985: Approved by Committee
November 18, 1985: Confirmed

Gaughan, John A., to be Administrator of the Maritime Administration

November 14, 1985: Approved by Committee
November 18, 1985: Confirmed

Hale, Janet, to be an Assistant Secretary of Transportation

March 13, 1986: Approved by Committee
March 14, 1986: Confirmed

Hillings, Jennifer Ann, to be an Assistant Secretary of Transportation

July 18, 1985: Approved by Committee
July 19, 1985: Confirmed

Melchner, John W., to be Inspector General, Department of Transportation

September 24, 1986: Approved by Commerce Committee
October 2, 1986: Approved by Governmental Affairs Committee
Octobe 8, 1986: Confirmed

Range, Rebecca Gernhardt, to be an Assistant Secretary of Transportation

July 18, 1985: Approved by Committee
July 19, 1985: Confirmed

United States Coast Guard

Yost, Vice Admiral Paul A., Jr., U.S. Coast Guard, to be commandant, U.S. Coast Guard

May 20, 1986: Approved by Committee
May 21, 1986: Confirmed

Thompson, Rear Admiral Donald C., U.S. Coast Guard, to be the commander U.S. Coast Guard Atlantic Area with grade of vice admiral while so serving

May 20, 1986: Approved by Committee
May 21, 1986: Confirmed

Irwin, Rear Admiral James C., U.S. Coast Guard to be the vice commandant, U.S. Coast Guard with grade of vice admiral while so serving

May 20, 1986: Approved by Committee
May 21, 1986: Confirmed

COMMITTEE ON THE BUDGET

During the 99th Congress, the Budget Committee continued to fulfill its responsibilities under the Congressional Budget and Impoundment Control Act of 1974.

Fiscal Year 1986

The President submitted his budget for fiscal year 1986 on February 4, 1985. Throughout the month of February, the Budget Committee held extensive hearings and received testimony on a broad range of issues from representatives of the Administration and the private sector.

The major proposals in the President's budget included: a selective one-year freeze in funding for many programs and a freeze in cost-of-living adjustments for some programs; a wide range of program terminations, reforms, and cuts; a 10 percent cut in administrative expenses; a 5 percent pay cut for civilian employees of the Federal Government; and various user fees to recover a portion of the costs of providing special services and subsidies.

The President's plan reduced the FY 1986 baseline deficit by $50.3 billion, to a level of $180 billion. Excluding debt service costs, the budget held Federal spending in FY 1986 to $804 billion, the same level as in 1985.

On March 4, 1985, the Committee began mark-up of a budget resolution for fiscal year 1986. S.Con.Res. 32 was reported on March 20, 1985. As reported, S.Con.Res. 32 represented marked progress in the fight for deficit reduction, expressing the nation's desire for curtailed federal spending while not imposing major new tax burdens.

The Senate-reported resolution reduced the FY 1986 baseline deficit by $56.8 billion, to a level of $170.6 billion. The major components of the Committee recommendation included: holding defense spending harmless against inflation in FY 1986, with increases of 3 percent beyond inflation assumed for both FY 1987 and FY 1988; a freeze on most domestic discretionary spending programs with selective cuts below a freeze for certain programs; a one-year cost-of-living freeze on social security, veterans, military, and civilian retirement; selective entitlement reforms; a one year freeze on Federal civilian and military pay; various management and work force reforms; and no new revenue increases. Programs for the poor were generally protected from spending freezes and cuts.

The Senate debated the budget resolution during April and early May. The resolution was agreed to on May 9, 1985.

The major features of the Senate-passed resolution were nearly identical to the Senate-reported version. Under the Senate-passed resolution, the FY 1986 deficit was estimated to be $171.4 billion.

During June and July, the conferees for House and Senate negotiated the final budget agreement. Both chambers adopted the conference report on August 1, 1986.

The conference agreement on the resolution reduced the FY 1986 baseline deficit by $55.5 billion, to a level of $171.9 billion. Major differences from the Senate-passed resolution included: slightly larger cuts in defense spending in FY 1986; smaller non-defense spending reductions; and the elimination of the one year cost-of-living freeze proposed for major entitlement programs. The plan retained the one year freeze on Federal civilian pay as well as other management and work force reforms.

The budget resolution contained instructions to 11 Senate committees and 14 House committees to reduce spending and increase revenues by $19.4 billion in FY 1986 and by $75.5 billion over the three years, FY 1986-1988. These committees were instructed to submit their responses to their respective Budget Committees by September 27, 1985.

On October 1, 1985, the Budget Committee reported S. 1730, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). The Senate began debate on the bill on October 15, 1985, and agreed to the House reconciliation bill as amended with the text of the Senate bill on November 14, 1985.

The conferees on the bill reached agreement, but that conference report was rejected by the House on December 19, 1985. For the next few months the bill went back and forth between chambers, while disagreement continued over provisions relating to Superfund. The chambers finally agreed in March, and on April 7, 1986, the President signed COBRA into law as P.L. 99-272.

The final agreement saved $6.8 billion in FY 1986 and $26.2 billion over the three years, FY 1986-88.

Fiscal Year 1987

The President submitted his budget proposals for fiscal year 1987 on February 6, 1986. Throughout the month of February the Committee held its annual hearings.

The President's budget proposals reduced the deficit to $144 billion in FY 1987, the target required under the Balanced Budget Act of 1985. These proposals held defense spending to the level of real program growth approved for FY 1987 in the FY 1986 budget resolution and called for no new tax increases. Spending increases were proposed for high priority programs, including diplomatic security, law and drug enforcement, basic research, the U.S. space program, aviation safety, and AIDS research and education. Proposed deficit reductions included spending cuts and terminations for some domestic programs; selected entitlement reforms; the sale of certain government assets to the private sector; new or increased user fees; the transfer of certain Federal activities to State and local government; and reforms in the management of Federal operations.

The Committee began mark-up of the budget resolution for fiscal year 1987 on March 6, 1986, and reported S.Con.Res. 120 on March 24, 1986.

The Senate-reported resolution reduced the deficit to $143.9 billion, in compliance with the target called for by the Balanced Budget Act of 1985. The plan assumed no real growth for defense in FY 1987, followed by 1 percent real growth in both FY 1988 and FY 1989. Other recommendations included revenue increases of $18.7 billion in FY 1987 and a $14.5 billion reduction in non-defense spending. Nondefense spending reductions were to be achieved primarily through the imposition of a freeze in FY 1987 and through various reforms and reductions in a number of programs. The plan also included spending increases for certain high priority programs--many of which were recommended by the President--and rejected reductions in programs for elderly and low income persons.

The Senate began debate on the budget resolution on April 21, 1986, and agreed to it on May 1, 1986.

The Senate-reported resolution was amended on the floor with $7.3 billion in additional nondefense spending cuts and a $5.5 billion reduction in assumed revenue increases. The resolution continued to meet the $144 billion deficit target required under the Balanced Budget Act of 1985.

During late May and June the conferees for the House and Senate discussed the final budget agreement. The House and Senate adopted the conference report on June 26, 1986.

The conference agreement resulted in a deficit of $142.6 for FY 1987. The resolution called for revenue increases of $8.4 billion, defense cuts of $4.8 billion, and nondefense spending reductions of $25.4 billion.

S.Con.Res contained instructions to 9 Senate committees and 10 House committees to reduce spending and increase revenues by $9.2 billion in FY 1987 and by $24.2 billion over three years, FY 1987-89 and to submit their recommendations to their respective Budget Committees by July 25, 1986. On July 31, 1986, the Budget Committee reported the reconciliation bill for 1986, S. 2706. The Senate began debate on the bill on September 17, 1986, and passed the bill on September 20, 1986.

The conference on the House bill, H.R. 5300, and the Senate amendment began on September 26, 1986, and concluded on October 17, 1986, when both chambers agreed to the conference report. The President signed the Omnibus Budget Reconciliation Act of 1986 (OBRA) on October 21, 1986, as P.L. 99-509.

The conference agreement reduced spending and revenues by $11.7 billion in FY 1987 and by $17 billion over the three years, FY 1987-89.

Budget Process Reform

During the fall of 1985, as part of the legislation known as Gramm-Rudman-Hollings (the Balanced Budget and Emergency Deficit Control Act of 1985, P.L. 99-177), Congress adopted various amendments to the Congressional Budget Act. These changes included the addition of points-of-order to enforce subcommittee allocations, the imposition of super-majority voting requirements to waive key points-of-order, and the adoption of an accelerated timetable for the Congressional budget process.

In January of FY 1986, the FY 1986 deficit was projected to be $220.5 billion, almost $50 billion above the level assumed in the FY 1986 budget resolution. Approximately half of the increase was due to policy changes that were assumed in the budget resolution but not achieved. The rest of the increase was due to changes in the economic forecast and technical reestimates.

As a result of this increase, the Balanced Budget Act of 1986 triggered automatic spending reductions of $11.7 billion in FY 1986 outlays. One-half of these reductions were obtained from defense programs and the other half from nondefense programs. However, changed economic conditions as well as unanticipated spending increases have forced the FY 1986 deficit still higher. The latest estimate for FY 1986 is $220.7 billion, $48.8 billion above the level assumed in the resolution.

A latest estimate for the FY 1987 deficit is $151 billion, about $8 billion above the level assumed in the FY 1987 resolution. Economic and technical reestimates added about $18 billion to the original estimate of the resolution deficit. These increases were partly offset by an unanticipated revenue windfall resulting from the Tax Reform Act of 1986. Although this preliminary estimate is above the level assumed in the budget resolution, it is $3 billion below the level that would have triggered across-the-board spending cuts in FY 1987.

These reforms have greatly strengthened the Congressional budget process and have enhanced Congress' ability to reach agreement on broad fiscal policies and to implement and enforce those decisions during the consideration of spending and revenue legislation.

GRAMM-RUDMAN-HOLLINGS
AFTER ONE YEAR

G. William Hoagland [1]
Committee on the Budget
United States Senate

Comments presented at:

Association for Public Policy Analysis and Management
Eighth Annual Research Conference
LBJ School of Public Affairs
University of Texas

Austin, Texas
October 31, 1986

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[1] The views and opinion expressed in this paper are solely those of the author and in no way are presumed to reflect the views of the Chairman of the Senate Budget Committee, members of the Committee, or other staff members.

GRAMM-RUDMAN-HOLLINGS
AFTER ONE YEAR

G. William Hoagland 1/
Committee on the Budget
United States Senate

On the adjournment eve of the 99th Congress, Senator Phil Gramm addressed the central issue of this conference:

> "When people ask, 'Did Gramm-Rudman work?' they are asking the wrong question. Gramm-Rudman is like the wrench you use to do plumbing. It is the plumber who does the work, not the wrench. And, whether the plumbing is done well or poorly has relatively little to do with the wrench. It has to do with the person using the wrench." 2/

Whatever legislative reforms (including those embodied in the Balanced Budget and Emergency Control Act of 1985) that Congress and the President have adopted or may consider adopting, one thing remains an axiom, and that is: no process can produce the results it is supposed to produce if the political will is not there to carry through. The current budget process, or any reformed budget process, is bound to fail if it immediately attempts to discipline participants who face a bad set of political incentives. That is to say, incentives that bring about outcomes that do not reflect the preferences of the majority. 3/ To paraphrase David Stockman, no budget process, reformed or otherwise, can ever be expected to overcome the triumph of politics.

THE SUCCESSES OF GRAMM-RUDMAN-HOLLINGS

Judging successes or failures of any legislation, let alone budget process legislation, can be a risky business. Further, final evaluations of the Gramm-Rudman-Hollings legislation are premature. Ultimately its success or failure will be judged on the basis of the final deficit figure in fiscal year 1991, when the legislation calls for zero federal deficits.

1/ The views and opinions expressed in this paper are those of the author and do not reflect the views or opinions of the United States Senate Budget Committee, its members, or staff.

2/ The Congressional Record, S-16940; October 17, 1986.

3/ Rudolph G. Penner, Budget Process and Budget Deficits, presented at a Symposium on Budget Balance: Do Deficits Matter? New York City, January 10, 1986.

But, I believe Congress need not be apologetic in the first year of Gramm-Rudman-Hollings. Again quoting from Senator Gramm's first year evaluation:

> "Did we do a good job? Not as good as we should have done, not as good as I would have liked to have done, but we did better than we have done before in terms of controlling spending." 4/

Gramm-Rudman-Hollings in its first year was successful if for no other reason than it set into place new procedures that provided for the enforcement of budget resolution spending and revenue targets that had not been there before. It tipped the scales slightly away from an institutional bias against controlling spending, to one in favor of controlling spending.

The Hartman review of Gramm-Rudman-Hollings casually mentions the procedural enhancements provided the Budget Committees that allowed for the actual enforcement of spending allotments provided to appropriation and authorizing committees. 5/ From my vantage point, however, it was the "institutionalization" of procedural points-of-order requiring super majority votes to waive (i.e., three-fifths of the entire Senate), that substantively changed the budget, appropriations, and tax reform deliberations from similar debates prior to the Gramm-Rudman-Hollings years.

This subtle, and not all that glamorous aspect of Gramm-Rudman-Hollings, was most apparent in the deliberations on the FY 1986 spring supplemental and FY 1987 budget resolution and concomitant reconciliation bill in the form of "deficit neutral" amendments.

Also in the overall deliberations of the FY 1987 appropriations bills and the final omnibus continuing resolution, it was the strengthened Budget Act, section 302(b) point-of-order, that assured the Congress and the President's advisors that the massive appropriation bill was "within" budget.

Finally, it seems to me that a case can be made that this year's tax reform bill, unlike that of 1981, was debated in the full light of what effect it would have on the deficit targets, and a five-year revenue neutrality objective. 6/ Again, amendments to the reported

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4/ Ibid. The Congressional Record.

5/ Robert W. Hartman, "Gramm-Rudman-Hollings, After One Year," Austin, Texas, October 31, 1986.

6/Admittedly Gramm-Rudman-Hollings did not establish any specific requirements for five-year revenue neutrality amendments offered to the Senate Finance Committee reported bill. This objective was requested by the Administration and used effectively by the floor managers of the bill.

tax bill were not debated unless a five-year cost estimate was provided, and were only acceptable in the context of year-by-year revenue neutrality, a direct result of the Gramm-Rudman-Hollings legislation.

The overall assessment of how well Gramm-Rudman-Hollings worked to control that natural proclivity to spend money (especially in a close election year) will best be seen in the final figures for FY 1987, a year from now. But, if our projections hold, FY 1987 will see the slowest rate of nominal growth in government spending in over 22 years, at a rate of slightly over 0.6 percent, and a real rate of growth of negative 2.3 percent.

And, while people may argue with the policies adopted in the final Omnibus Reconciliation Act of 1986 (OBRA), the final deficits for FY 1987 will show the single most significant decline in deficits ever recorded in the fiscal annals of this country--dropping nearly $70 billion from $221 billion to $151 billion.

I, therefore, conclude that those components of Gramm-Rudman-Hollings that set a specified deficit target for all to work toward and then strengthened enforcement measures in the underlying 1974 Budget Act, resulted in the major successes of the Congress this year in reducing deficit spending.

In a very big sense, these provisions of Gramm-Rudman-Hollings reflect the 1987 Economics Nobel Laureate's public choice theory that deficit spending will not be controlled unless constrained by some moral rule or some constitutional rule. Gramm-Rudman-Hollings and its legislated deficit targets and procedural constraints seem to lie somewhere between Buchanan's moral rule and a constitutional rule.

THE SHORTCOMINGS OF GRAMM-RUDMAN-HOLLINGS

Certainly Gramm-Rudman-Hollings did not accomplish everything its authors had envisioned it would. Its biggest shortcoming--but again something I would argue no process can be expected to accomplish without the political will--was its inability to break the structural deficit gridlock. If anything, Gramm-Rudman-Hollings has heightened frustration levels for the upcoming fiscal year and has reminded some of us again just how paralyzed we are when it comes to fundamental structural changes in entitlement spending programs and revenue raising measures.

One of Gramm-Rudman-Hollings biggest failures was the premium it placed on a one-year budget target at the expense of out-year targets. Such a one-year budget focus heightened the Administration's privatization policy objectives in the form of loan portfolio sales and physical asset sales. A number of critics have likened these specific budget policy changes to "blue smoke and mirrors," and have either intentionally or unintentionally, once again, raised the issue of credibility in most federal budgeting activities.

The short-term focus also enhanced proposals for "innovative federal financing"--such as long-term debt restructuring of the Rural Electrification Administration and other off-budget credit agencies. Gramm-Rudman-Hollings placed burdens on an already overburdened and complex and, in some instances, outdated federal accounting system.

Somewhat overlooked in all the critiques of Gramm-Rudman-Hollings this last year has been the institutional failure to maintain the basic Gramm-Rudman-Hollings legislation. No less than eleven (11) public laws were adopted in the period from February to July of this year that made exceptions to the FY 1986 sequester process. Other legislation was adopted in the final hours of the 99th Congress that exempted veterans programs, civil service and military retirees, the Panama Canal Commission, and the trust territories from the strictures of Gramm-Rudman-Hollings. Slowly the Gramm-Rudman-Hollings original objective of subjecting all federal accounts to sequestration is fading, and with it the incentive argument for all to act together to avoid across-the-board cuts.

CONCLUSION

The first year of Gramm-Rudman-Hollings has met with both success and failure. It has placed "institutional pressures" (if not real pressures) on the Congress to reduce government spending. In this respect, its first year has been successful.

But animosity generated by the enhanced Budget Act enforcement provisions, the certain difficulty in meeting the FY 1988 targets, the Supreme Court's rulings, the premium placed on "new accounting," the new exemptions to sequestration, and the legislation's one-year focus assures us that reform of Gramm-Rudman-Hollings, in particular, and the budget process in general, will be a major item in the 100th Congress. A renewed focus on process will likely distract the Congress from the fundamental legislative changes needed to address the underlying structural deficit.

DRAFT

GRAMM-RUDMAN-HOLLINGS AFTER ONE YEAR

by

Robert W. Hartman
Congressional Budget Office

October 31, 1986

This paper was prepared for the Association for Public Policy and Management (APPAM) research conference to be held October 30-November 1, 1986 at the LBJ School of Public Affairs, University of Texas at Austin. The views expressed in this paper are those of the author. They should not be attributed to anyone else. They may be quoted only with the permission of the author.

The Balanced Budget and Emergency Deficit Control Act of 1985 was signed into law last December. Like most one-year olds, it has exhibited something new every day; it hasn't obeyed any timetables; it has kept many people up until all hours; and its future course is unclear.

While it is too soon to make any firm predictions about the future of this landmark legislation--will it make it beyond kindergarten, for example--some of this year's Congressional budgetary maneuverings probably give an inkling of what to expect. Accordingly, while the memories are fresh, I will attempt in this paper to address some of the early behavioral changes in budget-making induced by the new law.[1]

Background

Gramm-Rudman-Hollings (G-R-H), as the new budget act is familiarly called, came to pass as a result of the influence of a number of factors. Among them was the frustration of the Congress with the budget and a concomitant feeling that "something has to be done." In addition, the initial draft legislation seemed workable; unlike many previous balanced budget laws that simply decreed "There shall be a balanced budget," this one had a (more or less) intelligible implementation plan. Additional support came from both sides of the political aisle, as each saw some political advantage. To the Republicans, especially in the Senate, the automatic spending cuts meant not having to vote on nasty issues just before the 1986 elections when a disproportionate number of their seats in the Senate would be up for grabs. For the Democrats, especially in the House, the redrafting of the bill provided an opportunity to design it so that President Reagan would have to decide between raising taxes or accepting a lower defense budget.

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[1] An accompanying paper, "Budgetary Outcomes in the first year of Gramm-Rudman-Hollings" by Martin Levine and Paul Van de Water covers the quantitative effects.

Perhaps most important was the timing and the legislative vehicle. G-R-H was an amendment to a bill extending the public debt limit beyond $2 trillion. As always, such a bill must pass or the government "goes out of business." (In fact, there is a very long slip between posting the out-of-business sign and boarding up the shop. As the drafting process dragged on in late 1985, the Treasury managed to find ways to pay the bills for many weeks.) The House had already passed a debt limit extension earlier in the year (automatically, as an item in the Budget Resolution). When the Senate passed G-R-H as part of the debt limit extension, it forced the House "to take a stand on balancing the budget." The House responded to this nonchoice by modifying G-R-H to reach its objectives; rejection was never really a choice.

G-R-H incorporated three major new elements. First, it set in place inflexible limits on the federal deficit for a five-year period, fiscal years 1987-1991, with budget balance to be achieved in the last year. Similar multiyear targets had previously been included in Congressional budget resolutions. But they had been changeable without the concurrence of the President, since budget resolutions are not laws. To change G-R-H limits would require an amending law.

Second, in its most original feature, G-R-H established a procedure for cutting the deficit that would take place automatically if the budget limits were not attained through spending or revenue laws. In the original draft of G-R-H, the Office of Management and Budget (OMB) and the Congressional Budget Office (CBO) were to initially estimate the deficit for the coming year under current laws. If the deficit was excessive, as part of the same joint report, OMB/CBO were to specify how much each program's spending was to be "sequestered" (by a permanent withdrawal of budgetary resources) according to rules set out in the legislation. After the report was issued, Congress would have approximately one month in which to pass new legislation to eliminate the excess deficit. If this was not accomplished (as determined by OMB and CBO), then the President would be compelled to effectuate the sequestrations as specified in the joint report. During the debate, it was recognized that the process just outlined was constitutionally flawed. The director of CBO was unmistakably an officer of the Congress, and the bill would give him executive duties in violation of the separation-of-powers doctrine. Therefore, the Comptroller General, head of the General Accounting Office, who was thought to be a more likely candidate for executive status since he is appointed by the President, was inserted into the legislation as ultimately enacted. The Comptroller General was to review the OMB/CBO report and issue his own report (in five days!) to the President. This role of the Comptroller General was ruled unconstitutional by the Supreme Court in July 1986, thus eliminating automatic cuts from the procedure. Under the fall-back process outlined in the law, the sequestrations must be enacted by the Congress, and the President must sign the legislation before they go into effect.

Finally, G-R-H codified several procedures that had already guided budgeting over the last few years, and instituted some new ones as well. An example of the latter was the requirement that once a G-R-H-conforming budget resolution was passed, it would be out of order for a Senator to offer legislation that increased the deficit: if she wanted more spending for aid to the Philippines, she would have to specify how to pay for it (by reducing other spending or by raising taxes). Taken as a whole, these aspects of G-R-H had the effect of strengthening the hands of the Congressional budgetary institutions--the Budget Committees and the Budget Resolutions.

Overall Incentive Effects

The G-R-H law's primary intent was to set up an alternative--sequestration--which would be so devastating that compromises would be struck sooner and more assuredly than in the absence of the law. The theory was that the Congress would not enjoy the prospect of across-the-board spending cuts being kept alive beyond the summer (or until near the elections, depending on how you count time). The President meanwhile, would recognize early on that 50 percent of the burden of sequestered outlays (even more if measured by appropriations) would come from the defense share of the budget, and would be led by this to talk taxes.

It didn't work. No significant budget law emerged from the Congress before early October, when the tax reform bill was passed by both houses. Spending legislation was delayed until mid-October, when a reconciliation bill and an omnibus appropriation bill were passed. These delays were an extension of a trend toward late decisions in recent years, and meant a worsening of the perennial budget impasse.

Did G-R-H throw sand into already slow-grinding wheels, or would we have been even worse off without it? Ultimately such a question is unanswerable. Without G-R-H it is conceivable that we might still be debating last year's debt extension today! (And Mr. Daniloff would never have been arrested, because before that the Russian UN employee would not have been arrested, because before that the FBI would have been without funds...) Here is my best assessment, on the basis of very little time for careful retrospection, of the impact of G-R-H on the timetable for compromises on the budget.

The fundamental difficulty in reaching a quick deal on the budget is the difference between President Reagan and the Congress on real, substantive issues. The President seeks substantial domestic program cuts that would make a continued defense buildup possible without any significant tax increase, and this is so at variance with Congressional preferences (as embodied in the 1987 Budget Resolution, for example) that some delay is inevitable, unless all parties believe they will lose by inaction.

The threat of sequestration amounted to mutual assured destruction, but it could not prevail against forces pulling the other way. Ironically, G-R-H itself supplied some of the counterforces. One was that sequestration was to be administered against the most recent budget resources enacted. (Thus, a FY 1987 hit would be taken in October 1986 on 1987 budget resources enacted earlier in 1986. If resources were not enacted by October, sequestrations were to be estimated by using FY 1986 enacted levels, but they could only be implemented against FY 1987 budget resources, when enacted.) This meant, for example, that an appropriation subcommittee acting to curb expenditures could be faced with a "double hit" if other committees did not enact sufficient cuts so that the overall deficit came in under the trigger. The incentive for appropriation subcommittees here was to do nothing until the overall deficit picture became clear. (Alternatively, the subcommittee could "pad" its bill in anticipation of the second hit of sequestration. This strategy was effectively curbed once the Budget Resolution was passed.) Second, G-R-H created an unusual way for special-interest lobbies to view the President's budget. In the spring of 1986, after the Administration released its budget, a short-lived growth industry developed to produce tables showing how specific programs would fare under (a) the President's budget and (b) sequestration. Since the President's domestic cuts were large and highly targeted while sequestrations were across-the-board and half in national defense, the outcome of the exercise for most domestic program groups was predictable. "We'll be better off with sequestration. Don't urge your Hill friends to negotiate with the Administration. Sit tight."

As spring turned to summer, these factors had let a lot of air out of the hoped-for "speedy compromise." The Supreme Court decision deflated it further. Once the Court forced the fallback procedure into effect--requiring that sequester cuts be preceded by votes in both Houses and the signature of the President--the threat of sequestration became less real. Congressional antipathy to voting for across-the-board cuts, combined with the prospect of a Presidential veto, made it all the more certain that sequestration would be avoided by some means.

(One means of avoiding sequestration would have been to try to twist CBO's collective arm into producing a rosy economic forecast that generated enough revenues to eliminate any deficit excess. [I will leave the status of OMB's arm to other orthopedics to assess.] I am pleased to report that this did not happen. The CBO deficit estimate reported to the Congress on August 20, 1986, was not dictated by outside political pressures.)

The only means of avoiding sequestration permitted under G-R-H was to pass legislation that eliminated the excess deficit. Three kinds of legislation were pertinent: the tax reform bill, a reconciliation bill following up the cuts specified in the budget resolution, and all the appropriation acts governing spending for defense and nondefense "discretionary" (annually funded) programs. The joint outcome of these three legislative strands was what counted if sequestration was to be avoided, and hence all these strands became interdependent. For example, the tax reform bill was estimated to yield about $11 billion over prior law in FY 1987; this was more than enough to avoid sequestration as estimated in the OMB/CBO August preliminary report. But if those revenues were "used" to prevent sequestration, there was a danger that all the steam would be let out of the drive for a reconciliation bill and for disciplined appropriation bills. Thus, the Senate version of the tax reform bill prohibited counting any excess revenues toward G-R-H targets. The House view (silence on the issue) prevailed in the final enacted version of the tax bill.

The case can be made that, after the August recess, the sequestration aspect of G-R-H had very little to do with the final steps in making the FY 1987 budget.[2] The rigid deficit limit for 1987 did help shape the legislation that passed (see next section). And the new budget processes actually helped expedite legislation. (In particular, in the Senate where more than 180 amendments were offered to the omnibus appropriation bill, many were disposed of quickly when the need for self-financing was enforced.) But, on the whole, the FY 1987 budget process operated more as it did in pre-G-R-H years than most observers would have expected.

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[2] Interestingly, while sequestration as a future threat ebbed, the effect of past sequestration increased. Particularly in the defense budget, the fiscal year 1986 levels after sequestration (that is, the sequestration administered in early 1986) became the baseline for measuring changes. See the Levine and Van de Water paper for further details on budget outcomes.

One major unanswered question is why the Administration did not push more strongly for a rapid conclusion to the bargaining, especially when sequestration was a live threat. I think that part of the answer has to do with how the Administration viewed the handling of the national defense budget, especially in 1986. From the White House point of view the Congressional budget process (which sets ceilings on spending) and the threat of veto don't help much when the goal is to persuade Congress to increase defense spending. Moreover, the sequential treatment of defense budgets through authorizations-then-appropriations in each House followed by a conference agreement means that at each stage the Administration is forced to compromise, giving up a little more of what it wants. With this view, it is easy to see how the Administration could be driven to a strategy of waiting to the very end of the process--to a catchall appropriation bill--to strike a final deal. It remains to be seen whether the Administration is satisfied enough with the FY 1987 defense budget to employ the same strategy in FY 1988. If so, it almost guarantees a comprehensive single appropriation bill as a permanent feature of the budget process. ("Permanent" is used here in its special budget process definition: lasting longer than one year.)

Time Horizon of Budget Planning

Senator Gramm's vision of the goals of this law was explicitly multiyear: the idea was to proceed on a path to a balanced budget in FY 1991. Very little attention was paid to the year-to-year targets themselves. (They were derived as follows. Last fall's best deficit estimate for FY 1986 was $192 billion. Originally G-R-H sequestrations were to be triggered if the deficit exceeded the target by 7 percent in the first year. Thus, if the deficit target was set at $180 billion, the expected deficit would just avoid the sequestration. That $180 billion number became the first-year target because the sponsors' intent was not to activate the procedures until 1987. The preordained end point, five years later, was a target of zero. 180 divided by 5 is 36 so the deficit sequence was 144, 108, 72, etc. These are the limits in the law.)

As budgeting for FY 1987 unfolded, the long-term goals were all but forgotten and the $144 billion target for 1987 became the nearly exclusive concern in Congressional deliberations. This represents a significant retrogression, since considerable progress had been made over the past decade in forcing decisionmakers to pay serious attention to "outyear consequences." Although attention to the upcoming year always became paramount in the closing moments of budget bargaining, this year it held center stage from the start. I don't want to give the impression that this focus on a rigid first-year target was all bad. It had the virtue--from the point of view of long-run budget control--of eliminating a larger deficit as an option and thereby forced the debate to the correct subjects: cutting spending and raising taxes. On the other hand, the kind of deficit reductions on which a one-year perspective focuses may not be the right kind. The myopic view emphasizes one-shot savings that rarely address structural (policy) aspects of the budget. An enormous number of these were to be found in the reconciliation bill that was finally enacted, and they also pervaded parts of the omnibus appropriation bill. Some brief examples:

- The final payment for general revenue sharing was moved from October 5, 1986, to September 30, 1986, thereby lowering the FY 1987 deficit.
- Nearly $5 billion was estimated to be realized from the sale of loan paper owned by the government in 1987. The interest receipts and principal repayments that would have been made beyond 1987 were thereby forgone.
- The Treasury is expected to take in more than $3 billion in 1987 from enhanced compliance due to higher auditing resources, and penalties, as well as from accelerated collections procedures.

- o A Pentagon payday scheduled for September 30, 1987, was moved to October 1, kicking $2.9 billion in outlays from FY 1987 to FY 1988. (Make my day, indeed.)

Senator Metzenbaum, in commenting on the reconciliation bill from which most of these examples are drawn, said, "You can't see the mirrors from all the blue smoke." (One of my colleagues urged that I include a counterquote to keep this presentation balanced. I couldn't find one. So I'm making one up. "Suppose you wanted to cut the budget in a manner designed to have the least real economic impact--because you're worried about slow short-run economic growth. Wouldn't your list look like the above?" Some members probably were thinking along such lines, but I can't find any who said so in print.) In any event, while G-R-H did not cause the invention of this bag of accounting tricks, its focus on the immediate-year deficit target raised the genre to a new prominence.

Role of Forecasts

A considerable part of the frustration that supplied the votes for G-R-H stemmed from a loss of confidence in economic forecasts. Congresspersons saw themselves year after year making tough decisions to cut the deficit only to be told a few weeks later that the economy had fallen short and that the deficit was back up to the starting point. Ironically, G-R-H has made the forecasters even more powerful! To illustrate this, let me back up a little. Although the idea behind the G-R-H sequestration threat was that it be automatic, someone has to decide (a) how much to cut and (b) where to cut. There was no disposition in the Congress to leave either of these matters up to the President. As a result, much of the legislative brainpower went into resolving in the law items (a) and (b). The lawmakers did a pretty complete job of spelling out (b) in the law--leaving very little discretion to CBO or OMB. [The law exempts some programs, subjects others to specific formula reductions, sets up a 50-50 defense/nondefense split and defines "across-the-board" cuts for the programs to be cut.][3]

But the G-R-H law did not limit the size of the needed deficit cut at all. (Except in the 1986 cut, where it was limited to about $12 billion. This was a compromise between the original sponsors' proposed zero cut in FY 1986 and the full cut for subsequent years.) The CBO and OMB forecasters consult their ouija boards (there--the secret is out), divine the state of the economy, calculate the deficit, subtract the G-R-H target deficit and that's how the size of the sequestration is determined

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[3] Congressional Budget Office and the Office of Management and Budget, Sequestration Report for Fiscal Year 1986: A Summary (January 15, 1986).

(actually, CBO and OMB each go through this ritual and the law prescribes how to average their results.)[4]

Let me translate what this means. If CBO and OMB add one percentage point to the interest rate forecast, the deficit estimate for next year goes up by about $6 billion, requiring an additional cut in defense outlays of $3 billion. Over $1 billion of that will be taken from spending for military personnel, meaning that the armed forces will be reduced by over 50,000 people! This puts CBO forecasters in a somewhat different role from their previous one of providing the Congress with advisory technical expertise, which the Congress could accept, reject, modify, etc. Implicitly, they are given the power to determine military troop strength. At CBO, this difference is referred to as "live ammo" vs "blanks."

In actuality, since the Supreme Court decision necessitates a vote before sequestration can occur, the forecasters' direct role in controlling the Army has been mitigated. Moreover, to maintain forecasters' sanity, CBO makes its forecasts without taking explicit account of their social or military implications.

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[4] In a proposed "fix" to G-R-H (developed in the Senate Budget Committee after the Court ruling) designed to reestablish automaticity to the cuts, the pendulum was swung completely in the other direction. The fix prescribes, in incredible detail, values for economic variables to guide OMB in its deficit estimates. This piece of legislation was not enacted in the 99th Congress.

If sequestration ever does take place, driven by the forecasters' best guess, you can be sure that in the following year the implications of forecasts will cross the consciousness much more.

An Ingenious Incentive

One incentive device in G-R-H turns out to be ingenious. The law requires that automatic sequestration be triggered only if the estimated deficit exceeds the G-R-H target deficit by $10 billion or more, but if sequestration is enforced it will bring the deficit down to the G-R-H target itself. This means that the Congress can avert sequestration by cutting programs much less severely than the sequestration would. It's easier to show this with numbers: CBO/OMB's average deficit estimate for 1987 is $163.4 billion. The G-R-H target is $144 billion. The trigger is $154 billion. If the Congress acts to reduce the deficit by $9.4 billion (to the trigger) it averts a $19.4 billion across-the-board cut in spending (to the target). (Of course, this means that $154 billion is effectively the target, but the point still holds that the procedure gives the Congress an extra carrot to avoid sequestration). Clever, eh? Yup, but only by accident!

Senator Gramm's original bill set out a maximum deficit amount for each fiscal year and commanded the directors of OMB and CBO to "determine whether the deficit for each fiscal year will exceed the maximum deficit amount... and whether such excess is statistically significant." His bill went on (Honest to God) to define statistically significant as 5 percent of the maximum deficit amount for fiscal years 1987-1991.

The terminology and subsequent Congressional debate made it pretty clear that what Senator Gramm intended was some "leeway" (Senator Hollings used the term) for the uncertainty of budget estimates. That is certainly the way CBO interpreted the proposal--and its details left something to be desired from our point of view. The deficit is the small number derived from the difference between two big numbers (total spending and total revenue). Thus small percentage errors in estimating spending and taxes can result in large percentage errors in the deficit. The initial Gramm proposal called for smaller dollar leeway over time (since it was 5 percent of the declining deficit targets) even as spending and taxing went up. Finally, in 1991 we were allowed a margin of error of 5 percent of zero, the target deficit. It seemed awfully reverential of our budget estimators to make defense spending depend on our estimate to the penny.

CBO's opposition to this provision of the original bill was seen by some as "taking sides." Although that was untrue, to allay any suspicion that we were for or against the act, we suggested that the declining dollars of the 5 percent leeway should at least be straightlined at $10 billion a year.[5] This is what ended up in the final bill except in 1991 where zero balance with no leeway is the rule.

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[5] In general, CBO takes no position on legislation. When a legislative matter involves the working of CBO itself, however, our position is solicited.

At no point in these discussions did the carrot incentive mentioned above play a big role. (I can't prove that no one thought of it. I didn't.) As far as CBO was concerned, the only issue was to change the trigger so that we would be less vulnerable on what we knew were uncertain estimates.

The Law of Averages

The G-R-H law, treading the unchartered waters of a joint OMB/CBO report on federal deficits, had to institute a conflict resolution procedure. The main one selected was to require averaging whenever the directors disagreed. (A secondary procedure was implicit in the law--GAO could resolve differences since it had the final say. The Court killed this.) For the most part, this has worked well. CBO's economic forecast for 1987 implies a deficit of about $171 billion and OMB's gets them to $156 billion, resulting in an average of $163 billion. Given the difference, what better way is there?

Similarly, when CBO and OMB disagree on a spendout rate for defense programs or on the degree to which advance payments on agriculture programs will be made, an average seems appropriate. In all these cases, the average can be related to something real.

But, in some cases, it can't. The G-R-H law stipulates that in making their 1987 deficit estimates the OMB/CBO analysts should, when it comes to entitlement programs like Social Security and Medicare, project costs based on 1987 caseloads, benefits, etc. But for appropriated programs, CBO/OMB are to use 1987 enacted appropriations, or if not enacted (as was the case) use the 1986 appropriation. There is, however, a category of programs known as appropriated entitlements--including, most notably, Medicaid--where the case could be made for treatment like other entitlements (projecting future costs) or like other appropriated programs (using the 1986 level if there is no new appropriation). In fact, the case was made--one way by OMB and the other way by CBO. The law said to average the result. We did. While the average is a compromise, and it is conceivable that the Congress didn't want to make up its mind on the issue, averaging in this case produced a result that would better have been left to arbitration.

A Big Threat

Budgeteers have for a long time warned that rigid budget limits that could not be supported by a consensus on programmatic changes would be likely to result in creative accounting. As we have already seen, two such creative responses are moving paydays and conjuring up receipts--but these are limited in their consequences. A more serious threat is asset sales. This year's budget reconciliation proposed the sale of loan assets worth $4.8 billion and a railroad system worth $2 billion (Conrail). The U.S. government owns a lot of assets.

An even more sophisticated way of beating the system was developed over the last months of the budget process under G-R-H. This new scheme trades on the budget's exclusion of privately-owned enterprises. This offers an incentive to shift government activities off-budget by creating corporations that would be "privately-owned" because of a small capital contribution from private investors. This capital can be used to leverage great amounts of funds through borrowing, which may then be invested and spent. This activity will not be shown in the budget and will not be subject to regular government oversight. There have been several proposals recently that would create "privately-owned" corporations to take over the SBA's SBIC program and to finance construction of college buildings. Another corporation would be set up to bail out failing savings and loan associations. There is no simple solution to the problem of defining the scope of the budget in such cases--no one wants to include New York City government and the Chrysler Corporation in the federal budget, even though they were enabled to borrow cheaply as a result of federal support.

If a proliferation of nonbudget governmental enterprises were to result from G-R-H, it would stand as a final irony that a process intended to get tough on the budget could lead to a Balkanization of the budget itself, so that successor reforms would have to start with the budget's reconstitution.

GRAMM-RUDMAN-HOLLINGS: THE BUDGET OUTLOOK ONE YEAR LATER

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Since its enactment, the Balanced Budget and Emergency Deficit Control Act of 1985 (more commonly, Gramm-Rudman-Hollings) has been a persistent presence in fiscal policy deliberations. The act has constrained budget making in both the executive and legislative branches and has clearly affected budgetary outcomes. Although the 99th Congress completed its work with a record deficit for fiscal year 1986, the deficit for 1987--the first full year under GRH--is expected to be about one-third lower and to fall within the general bounds set by the act. Despite this near-term success, however, the 100th Congress will convene next year facing a projected 1988 deficit well in excess of the goal for that year--in part because some of the actions taken to reach the 1987 target will produce no long-term savings, or will increase deficits in the future.

This paper summarizes the budget situation that existed when the Balanced Budget Act was being considered, recounts the budgetary actions taken during the act's first year, and describes choices that GRH will force upon future Congresses.1/

THE DEFICIT SITUATION WHEN THE BALANCED BUDGET ACT WAS PASSED, AND CONSTRAINTS IMPOSED BY GRH

GRH was proposed in the fall of 1985 as an act of legislative desperation. It was intended to alter a fiscal policy that had

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1/ For a discussion of the effects of the act on the budget process, see Robert W. Hartman, "Gramm-Rudman-Hollings After One Year."

generated three years of federal deficits in excess of 5 percent of GNP, unprecedented in peace time. Tax reductions adopted in 1981 had combined with steep increases in defense spending to balloon deficits. Despite selected revenue increases enacted since then and constraints on growth in nondefense spending, the legislative and executive branches had failed to agree on a strategy to redress the persistent imbalance between receipts and outlays. Estimates prepared by the Congressional Budget Office (CBO) in August 1985 forecast that policies then in effect would have yielded deficits of $212 billion in 1986, rising to $285 billion by 1990.2/

The Balanced Budget Act was meant to compel agreement on an alternative fiscal policy path. GRH set maximum allowable deficits declining from $171.9 billion in fiscal year 1986 to zero by 1991 (see Box 1). In contrast to previous statements of Congressional intent to balance the budget, however, GRH put in place a mechanism designed to achieve the deficit targets through across-the-board spending cuts if the Congress and the President could not agree on legislation that would realize the statutory limits. Nor were the deficit targets easy ones. As shown in Figure 1, meeting each of the yearly goals set in GRH would have required cumulative 1986-1990 deficit reductions of $700 billion relative to CBO's August 1985 baseline.

2/ All figures presented in this paper include both on- and off-budget outlays and revenues.

BOX 1.
DEFICIT-REDUCTION UNDER THE BALANCED BUDGET ACT

MAXIMUM DEFICIT AMOUNTS
(In billions of dollars)

Fiscal 1986	1987	1988	1989	1990	1991
171.9	144.0	108.0	72.0	36.0	0.0

DEFICIT-REDUCTION PROCEDURE FOR 1987 AND THEREAFTER UNDER THE FALLBACK MECHANISM a/

August 15	Policy "snapshot" of the deficit is taken. Laws and regulations as of this date are used in August 20 report.
August 20	Directors of the Office of Management and Budget (OMB) and the Congressional Budget Office (CBO) report to a Congressional Temporary Joint Committee on Deficit Reduction comprising the full membership of the Senate and House Budget Committees. The Directors' report provides an estimate of the deficit for the fiscal year about to begin. If the estimated deficit exceeds the statutory target by more than $10 billion (or by any amount in 1991), the report specifies the cuts that would be needed to achieve the statutory target. If cuts are needed to achieve the statutory target, the Joint Committee is to report within five days a joint resolution that, if adopted, would enact through legislation the reductions specified in the Directors' report. Each House of the Congress is then to vote on the resolution within five additional days, operating under rules that expedite consideration of the resolution and protect it from amendments. As with any joint resolution, in order to become law, it must be passed by each House of the Congress and signed by the President, or be passed by a two-thirds vote of each House in the event of a Presidential veto.
September	The Congress may adopt legislation that would reduce the deficit sufficiently to avoid the need for across-the-board cuts.
October 5	The Directors of OMB and CBO issue a revised report reflecting final Congressional actions to reduce the deficit. If the estimated deficit exceeds the level that could trigger across-the-board cuts, the process following the August 20 report is repeated.

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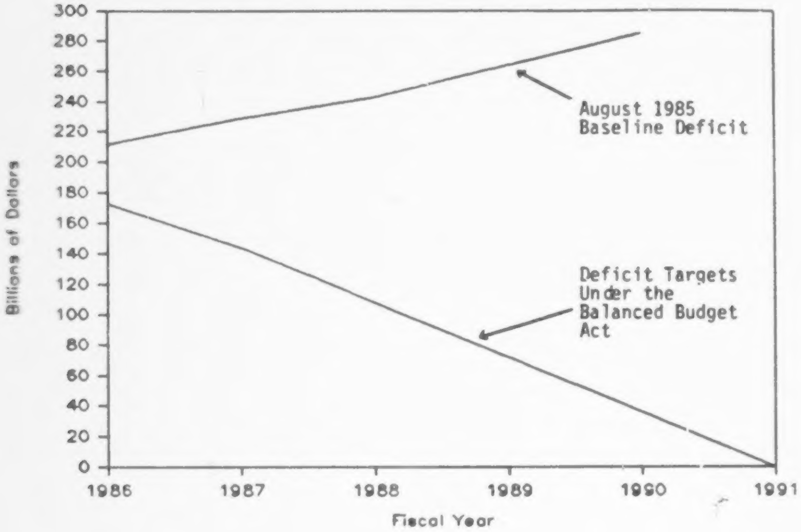
a. Under the automatic deficit-reduction procedure ruled unconstitutional by the Supreme Court, the Directors of OMB and CBO submitted their report to the Comptroller General, who in turn submitted a report to the President. If the Comptroller General's report called for across-the-board cuts, the President was obligated to issue an order implementing them.

FIGURE 1. PROJECTED DEFICIT UNDER CBO'S AUGUST 1985 BASELINE, AND DEFICIT TARGETS UNDER THE BALANCED BUDGET ACT



SOURCE: Congressional Budget Office.

THE FIRST YEAR UNDER THE BALANCED BUDGET ACT

The prospect of statutory deficit targets hung over the latter part of the first session of the 99th Congress, and efforts to reach those targets dominated the second session. Legislation adopted late last year lowered the fiscal year 1986 deficit but not by nearly enough to reach the statutory target. Thus, the Congress reconvened last January facing a Presidential order under GRH that cut most appropriated programs by between 4 percent and 5 percent.[3] Even after those cuts, it was expected that the 1986 deficit would greatly exceed the target, and the Congress still had to reduce the 1987 deficit by at least $27 billion in order to avoid a second round of across-the-board reductions.

After a flurry of last-minute activity, how close did the Congress come to meeting the deficit targets? As shown in Table 1 and Figure 2, fiscal year 1986 ended with a deficit of $221 billion--nearly $50 billion above the target set in GRH. The Congress came much closer to meeting the 1987 target, ending its work with a projected deficit of $151 billion--$7 billion above the goal of $144 billion, but within the $10 billion "margin of error"

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[3] After the Supreme Court invalidated the automatic deficit-reduction mechanism laid out in GRH, the Congress had to reinstate the fiscal year 1986 cuts legislatively. The Court's ruling also meant that instead of facing a Presidential order for fiscal year 1987, the Congress confronted the prospect of a politically unpalatable vote on whether or not to enact additional across-the-board cuts themselves under a fallback procedure.

TABLE 1. CHANGES IN BUDGET PROJECTIONS BETWEEN CBO'S AUGUST 1985 BASELINE AND OCTOBER 1986 (By fiscal year, in billions of dollars) a/

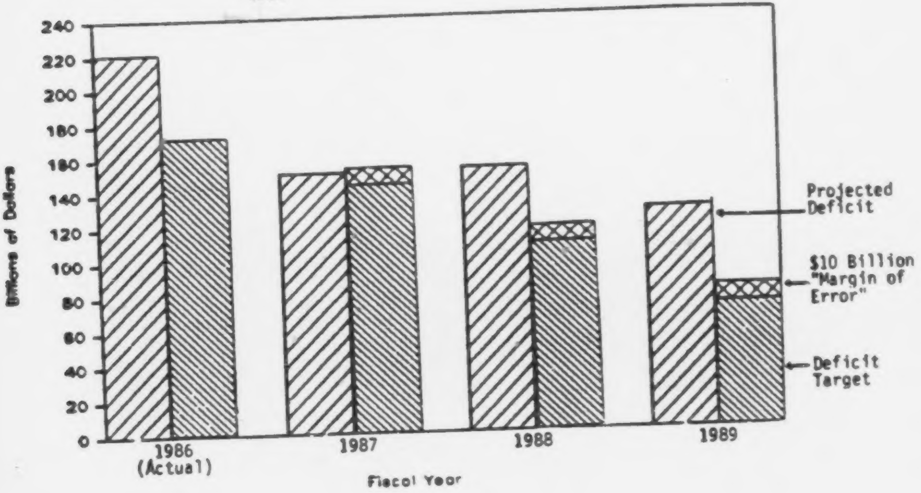
	1986	1987	1988	1989
August 1985 Baseline				
Outlays	1,000	1,082	1,174	1,266
Revenues	787	853	931	1,002
Deficit	212	229	243	264
October 1986 Projection				
Outlays	990	995	1,057	1,105
Revenues	769	844	904	978
Deficit	221	151	153	127
August 1986 Baseline		184	150	121

SOURCE: Preliminary Congressional Budget Office estimates.

NOTE: Includes both on- and off-budget outlays and revenues.

a. See Table 2 for a list of the components of the change in projections.

FIGURE 2. PROJECTED DEFICIT AS OF OCTOBER 1986 COMPARED TO DEFICIT TARGETS UNDER THE BALANCED BUDGET ACT



below which across-the-board cuts would not be triggered.4/ Despite the progress that has already been made, much remains to be done to meet the out-year targets.

Deficit-Reduction Actions Taken by the 99th Congress

Actions taken by the 99th Congress affecting the deficit range from appropriations that were under consideration when GRH was being debated, to the Tax Reform Act of 1986. (Table 2 summarizes changes in the projected deficit between CBO's August 1985 baseline and October 1986).

Fiscal Year 1986 Appropriations. Appropriations for fiscal year 1986, enacted late in 1985, placed the government on a sharply lower outlay path, primarily by altering the direction of defense spending.

Following five years in which defense appropriations had been increased by an average of about 8 percent per year in real terms, the 1986 act held total budget authority for defense to $297 billion--only $2 billion above the 1985 level, and a cut in real terms.5/ This funding slowdown reduced projected outlays by $4 billion in 1986 and by much more in the out years, relative to

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4/ The Balanced Budget Act specifies that for fiscal years 1987 through 1990 if the estimated deficit is within $10 billion of the statutory target, across-the-board cuts are not triggered.

5/ As described later, funds for defense in 1986 were further reduced as a result of across-the-board cuts adopted pursuant to the Balanced Budget Act.

TABLE 2. CHANGES FROM AUGUST 1985 BASELINE DEFICIT PROJECTION TO OCTOBER 1986 DEFICIT PROJECTION (By fiscal year, in billions of dollars)

	1986	1987	1988	1989
August 1985 Baseline Deficit Projection	212	229	243	264
Legislative Changes:				
1986 Appropriations a/	-11	-31	-52	-75
COBRA b/	-5	-12	-10	-11
1986 Sequestration	-11	-16	-18	-19
Tax Reform Act of 1986	--	-11	17	15
1987 Appropriations	--	-6	-8	-9
1987 Reconciliation c/	1	-12	-2	-3
Debt-Service Changes d/	-1	-6	-13	-21
Subtotal	-27	-95	-86	-123
Technical Reestimates	22	11	8	10
Changes in Economic Assumptions e/	13	6	-12	-24
Total Changes	8	-78	-90	-137
October 1986 Deficit Projection	221	151	153	127

SOURCE: Preliminary Congressional Budget Office estimates.

NOTE: Includes both on- and off-budget outlays and revenue.

a. Includes effect of changing from a baseline assuming annual real growth in defense funding of 3 percent after 1986 to a baseline assuming a real growth rate of zero. This change accounts for about $10 billion of the annual deficit reduction by 1989.

b. Consolidated Omnibus Budget Reconciliation Act of 1985.

c. Includes effect of Higher Education Amendments.

d. Reflects savings in debt-service costs resulting from policy-related reductions in the deficit.

e. Reflects impact of changes in economic assumptions between August 1985 and August 1986.

CBO's August 1985 baseline which assumed that budget authority for defense would grow by 5 percent per year in real terms. (Subsequent baselines assumed zero real growth in defense appropriations from the 1986 postsequestration level. This change in outyear assumptions was made on the grounds that the deficit targets in the Balanced Budget Act along with the reduced 1986 defense appropriation were inconsistent with assuming continued real growth in defense spending as current Congressional policy. As described later, defense appropriations for 1987 were, in fact, held below this lower baseline.)

The 1986 appropriations act also limited funds for nondefense programs, saving $7 billion in 1986 and about twice that per year thereafter, compared with the CBO baseline which assumed that funding would be increased between at a rate sufficient to keep pace with inflation.

It is not clear how the prospect of statutory deficit targets affected these funding decisions, which were far along when the Gramm-Rudman-Hollings proposal arose. On the one hand, the threat of across-the-board cuts might have induced greater constraint than would otherwise have occurred. On the other hand, program advocates had an even greater incentive to argue for higher funding levels in order to raise the base from which any future cuts would be taken. The 1986 appropriations, in fact, reduced outlays by less than was assumed in the Congressional budget resolution for that year. It was not the first time that the Congress failed to adhere to its spending blue print, however, and it is impossible to attribute this result to the impending enactment of the Balanced Budget Act.

Reconciliation for Fiscal Year 1986. A second set of deficit reductions was contained in the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) which was introduced during the first session of the 99th Congress but was not enacted until April 1986, after GRH was on the books. COBRA lowered the deficit by $5 billion in 1986 and by between $10 billion and $12 billion per year thereafter. Outlay savings were realized primarily by terminating the General Revenue Sharing program and by limiting reimbursements to health-care providers under Medicare. Revenues were also increased modestly, mostly by raising cigarette taxes and by including all newly hired state and local government employees in Medicare, thereby subjecting them to the associated payroll tax. Finally, COBRA increased federal receipts in the near term by mandating the early release from escrow of disputed Outer Continental Shelf oil and gas receipts.

An argument can be made that the desire to avoid across-the-board cuts under GRH helped prompt the Congress to resurrect COBRA during the second session. It could also be argued, however, that COBRA might have been enacted in the first session had the Congress not been preoccupied with debate over the Balanced Budget Act.

Sequestration. The deficit was further reduced through across-the-board cuts adopted this year under provisions of the Balanced Budget Act. Those cuts ("sequestration" in the parlance of GRH) were originally ordered by the President in February 1986 because the deficit for fiscal year 1986 was projected to be well in excess of the statutory target. The reductions--4.3 percent in most nondefense programs and 4.9 percent in most defense programs--were subsequently validated by legislation after the Supreme Court found the automatic budget-reduction procedure to be unconstitutional. The sequestration legislation lowered outlays by about $11 billion in 1986, with additional savings thereafter.

The speed with which the Congress enacted cuts that would have been considered severely harsh in any other year testifies to the Congress' seriousness in redeeming the promise it made in the Balanced Budget Act, or at least their interest in avoiding a second vote on potentially much larger cuts.

Tax Reform. The Tax Reform Act of 1986, though not originally envisioned as part of a deficit-reduction strategy, played a major role in the Congress' effort to avoid a second round of across-the-board cuts. Although the overhaul of the Internal Revenue Code was intended from the outset to be revenue neutral over a five-period, it was widely expected to result in substantial year-to-year revenue swings. Following passage of a bill by the House of

Representatives in December 1985, this year the Senate began considering a variant of tax reform that was expected to increase federal revenues in 1987, while reducing revenues in 1988 and 1989 before becoming a net revenue gainer again in 1990. As the debate unfolded, the anticipated 1987 revenue gain became a tempting cushion, and the revenue falloff in the two years thereafter became a source of concern. Some members of Congress sought to use the 1987 revenue increase to help meet the GRH deficit target for that year, while others hoped to prohibit consideration of any of the yearly effects of tax reform in judging adherence to the GRH targets.

After lengthy consideration, the Congress remained silent on the question of how to treat the revenue swings--effectively determining to count both the increased 1987 revenues and the reduced 1988 and 1989 revenues in assessing conformity to the statutory deficit targets. The result was to reduce the 1987 deficit by an estimated $11 billion (crucial in bringing the Congress as close as it came to meeting the target for that year), while increasing the expected 1988 deficit by $17 billion.

Fiscal Year 1987 Appropriations. The omnibus fiscal year 1987 appropriations act--which was passed the day before the Congress adjourned--continued constraints on defense spending and cut deeply into the international affairs budget, but it did little to limit aggregate spending in other areas (see Table 3).

TABLE 3. ESTIMATED CHANGES IN THE FEDERAL DEFICIT RESULTING FROM FISCAL YEAR 1987 APPROPRIATIONS ACTIONS (By fiscal year, in billions of dollars)

	1987	1988	1989
National Defense	-5.4	-6.4	-8.2
International Affairs	-1.5	-2.0	-2.3
Other Spending	-0.3	0.4	1.2
Revenues a/	0.8	--	--
Total	-6.4	-8.0	-9.3

SOURCE: Preliminary Congressional Budget Office estimates.

NOTE: Includes both on- and off-budget outlays and revenues.

a. Represents the revenue effect of delaying the military pay date from September 30, 1987 to October 1, 1987. When updating baseline budget projections, revenues are adjusted for consistency with the assumed outlays; CBO does not show the indirect effects of individual appropriation bills on revenues.

The 1987 act held funding for defense to $290 billion (ignoring $5 billion in rescissions). This was barely 1 percent above the 1986 postsequestration level of $286 billion, and 2 percent below the 1985 appropriation. The continued restraint in defense appropriations is expected to reduce outlays by $5 billion in 1987, relative to CBO's baseline which assumed that 1987 appropriations would be sufficient to provide the same real level of services funded in 1986 after sequestration. Cuts in foreign assistance will save another $1.5 billion, relative to an inflation-adjusted baseline. By contrast, outlays for all other budget functions are expected to amount to less than $1 billion below CBO's baseline, with freezes and other modest cutbacks in some areas offset by increases elsewhere and by such new initiatives as anti-drug legislation.

Reconciliation for Fiscal Year 1987. The fiscal year 1987 reconciliation legislation, which also passed in the last hours of the Congress, took a $12 billion bite out of the 1987 deficit. The act will have little effect in the out years, however, because most of the savings are achieved through one-time increases in federal receipts, some of which will reduce receipts in later years (see Table 4). For example, the sale of Export-Import Bank loans, rural housing loans, Conrail, and other government assets is expected to generate nearly $8 billion in receipts in 1987, while lowering receipts thereafter because of the loss of income that these assets

TABLE 4. ESTIMATED CHANGES IN THE FEDERAL DEFICIT RESULTING FROM THE OMNIBUS BUDGET RECONCILIATION ACT OF 1986 (By fiscal year, in billions of dollars) a/

	1987	1988	1989
Asset Sales			
Export-Import Bank loans	-1.5	0.4	0.4
Rural housing loans	-1.7	0.2	0.2
Rural development loans	-1.0	-0.6	-0.5
Conrail	-2.2	0.2	0.2
College housing loans	-0.6	-0.2	*
Other	-0.9	0.1	0.1
Subtotal	-7.8	0.2	0.4
Offsetting Receipts b/			
Customs User Fees	-0.8	-0.8	-0.8
Other	-0.5	-0.3	-0.1
Subtotal	-1.3	-1.0	-0.9
Spending Changes			
Repeal floor on indexing of Social Security	1.5	0.5	0.1
Other entitlement changes	0.3	0.8	-0.3
Nondefense discretionary spending	0.3	0.2	0.1
Subtotal	2.1	1.5	-0.1
Revenues b/			
Increased IRS enforcement c/	-2.4	-0.4	-0.1
Increased IRS penalties	-1.0	-1.0	-1.0
Repeal floor on indexing of Social Security	-0.7	-1.3	--
Accelerate tax payments	-0.7	-0.3	-1.2
Subtotal	-4.7	-3.0	-2.3
Total	-11.7	-2.3	-2.9

SOURCE: Preliminary Congressional Budget Office estimates.

NOTE: Includes both on- and off-budget outlays and revenues.

a. Includes savings in Higher Education Amendments.

b. Negative numbers reflect increases in receipts.

c. Represents the revenue effect of increasing appropriations for examination, collection, and related tax compliance activities. When updating baseline budget projections, revenues are adjusted for consistency with the assumed outlays; CBO does not show the indirect effects of individual appropriation bills on revenues.

would have generated. Other increases to offsetting receipts, including the imposition of a small broad-based fee on most imports, will reduce the deficit by about $1 billion per year.

Program changes included in the 1987 reconciliation act will increase the deficit in the near term, primarily because of a provision granting a cost-of-living increase to Social Security recipients even when the inflation rate is less than 3 percent. On the other side of the budget ledger, the act is expected to raise nearly $5 billion in additional revenues in 1987, largely through increased enforcement by the Internal Revenue Service, accelerated collections of some taxes, and increased penalties for people found to have underpaid their taxes.

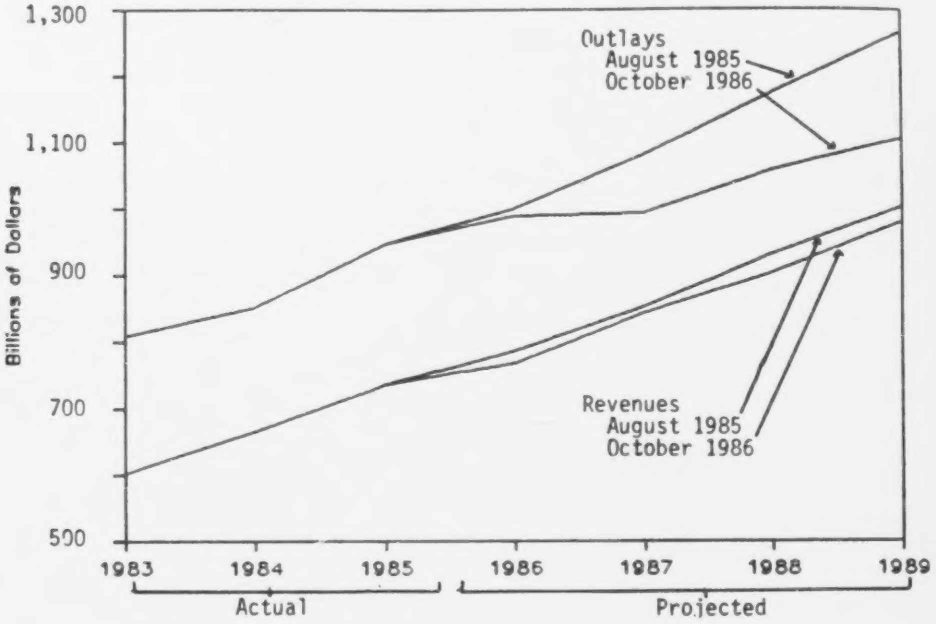
Technical Reestimates and Changes in the Economic Outlook. Finally, technical reestimates and changing economic circumstances altered the deficit outlook. More-rapid-than-anticipated defense expenditures and higher-than-expected spending for farm price supports added appreciably to the projected deficit. The unanticipated economic news was not all bad, however. Although slower-than-expected growth reduced expected revenues, lower-than-anticipated interest rates generated offsetting debt-service savings. Together, the technical and economic revisions raised the estimated deficit by $35 billion in 1986 and by $17 billion in 1987, while lowering deficit estimates by $4 billion for 1988 and by $14 billion for 1989.

Summary of Deficit Reductions

In summary, although the 99th Congress failed to reach the $144 billion target for 1987, it placed outlays and revenues on a converging path--principally by lowering expenditures rather than by increasing receipts (see Figure 3). In part as a result of legislation enacted over the past twelve months, the rate of growth in outlays has slowed from an average of 11 percent per year during the two decades ending in 1985, to less than 5 percent between 1985 and 1986, and to an expected increase of less than 1 percent between 1986 and 1987.

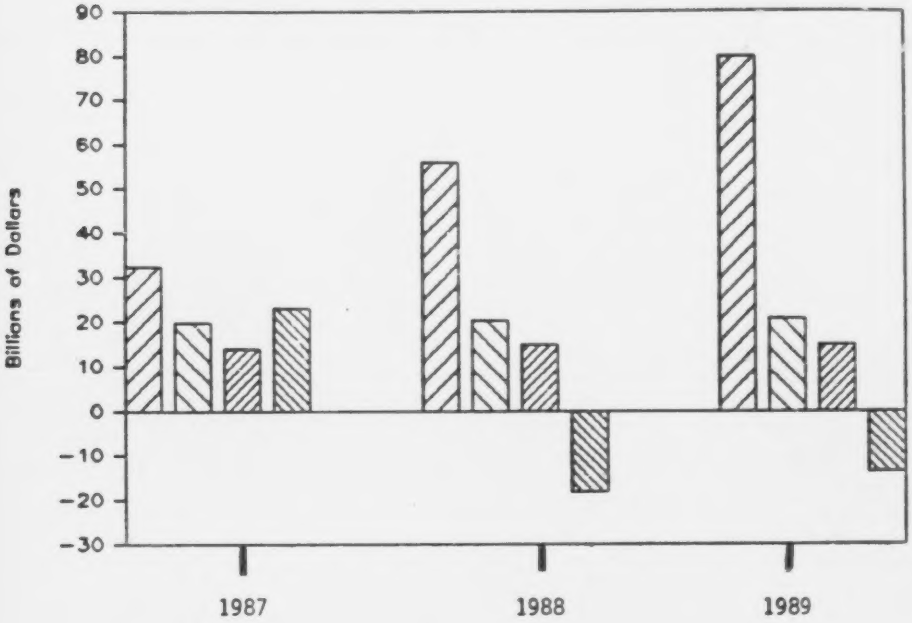
The Congress came as close as it did to reaching the 1987 deficit target by relying on a combination of enduring policy changes and one-time savings. The two-year freeze in defense appropriations accounts for about 36 percent of all policy-related reductions in the projected 1987 (see Figure 4). Lower spending for nondefense discretionary programs will contribute 22 percent of the savings. Changes to entitlements, offsetting receipts, and enduring revenue increases will make up 16 percent of the policy-related deficit reductions in 1987. Finally, one-time reductions in net outlays (from asset sales and from the accelerated release of offshore oil and gas receipts held in escrow) plus the temporary revenue increase resulting from tax reform constitute 26 percent of the reduction in the 1987 deficit.

FIGURE 3. PROJECTED OUTLAYS AND REVENUES: AUGUST 1985 AND OCTOBER 1986



SOURCE: Preliminary Congressional Budget Office estimates.

FIGURE 4. COMPONENTS OF POLICY-RELATED CHANGES IN PROJECTED DEFICIT BETWEEN AUGUST 1985 AND OCTOBER 1986



SOURCE: Preliminary Congressional Budget Office estimates.

▨ = Changes in defense spending.

▧ = Changes in nondefense discretionary spending.

▨ = Changes in entitlements, offsetting receipts (other than those included below), and revenues (other than changes due to tax reform).

▧ = One-time reductions in net outlays (principally asset sales), plus tax reform.

In 1988 and 1989, the savings from the slowdown in defense growth rise substantially. The savings resulting from reduced funding for nondefense discretionary spending and from other enduring policy changes remain fairly constant. By contrast, the items that caused a one-time reduction in the 1987 deficit are expected to add about $18 billion to the deficit in 1988 and about $13 billion in 1989 (see Figure 4).

PROSPECTS FOR THE FUTURE

What awaits the 100th Congress? Although much has been done to improve the long-term budget outlook, the next Congress is likely to face deficits for 1988 and beyond that substantially exceed the Gramm-Rudman-Hollings levels. Applying CBO's most recent technical and economic assumptions, the 1988 deficit is projected to be $153 billion--$45 billion more than the $108 billion target, and $35 billion more than the level that could trigger sequestration. Obviously, changes in the economic outlook could worsen the deficit picture. For example, if real economic growth in 1987 continued at the 2.4 percent rate of the most recent quarter, rather than at the 3.4 percent rate that CBO assumes, the 1988 deficit would be about $10 billion higher than is now forecast.

Even under current economic assumptions, the size of the deficit gap will confront the Congress with difficult choices. It might, on the one hand, continue to work towards the current statutory deficit targets under the rules of the Balanced Budget Act that are now in force. Alternatively, the Congress could try to enhance its chances of reaching the statutory targets by attempting to reinstate a more fully automatic deficit-reduction procedure of the sort invalidated by the Court. Finally, the Congress might choose instead to raise the deficit targets or to redefine the deficit by, for example, excluding capital-type expenditures from countable outlays.

The remainder of this paper discusses the outlook for further program cutbacks, one-time offsets to outlays, and revenue increases that the Congress could adopt in trying to reach whatever deficit goal it sets for itself.

Program Cutbacks

Recent budgetary actions show a willingness to make selected cutbacks in many programs but no inclination to curtail sharply the overall federal fiscal presence.

Defense Spending. Defense spending accounts for more than one-fourth of all federal outlays. After several years of sharp increases in new funding for defense, the 99th Congress held appropriations essentially level in fiscal years 1986 and 1987. If the next Congress extended the freeze for another year, outlay savings relative to CBO's inflation-adjusted baseline would probably amount to about $5 billion in 1988, with additional savings appearing in the out years. Such an action would require, however, that defense programs absorb a third consecutive year of price increases without compensating increases in resources. Concern about potential inadequacies in readiness and in conventional (non-nuclear) forces will probably lead to calls for some real growth in funding, or at least for a large enough increase to cover expected inflation. Whatever the Congressional inclination, it seems highly likely that the President will request a resumption of real growth in funding for defense.

Entitlements. A relatively small number of programs are classified as entitlements, but together they account for more than two-fifths of all federal outlays. While cuts have been made in some entitlements for each of the past several years, these reductions have often been accompanied by expansions elsewhere. The principal entitlement cuts enacted in the past two years included terminating General Revenue Sharing, reducing payments to health-care providers under Medicare, and subjecting all Unemployment Insurance (UI) payments to the federal income tax.6/ These cutbacks have been accompanied by expansions in Medicaid coverage, by limitations on cost-sharing for Medicare beneficiaries (increasing net federal outlays), and by increased expenditures for farm price supports.

6/ The full taxation of Unemployment Insurance, which was adopted as part of the 1986 Tax Reform Act, will be reflected in increased revenues rather than decreased outlays.

Continuing dissatisfaction with the operation of agricultural price support programs makes further changes in that area seem likely. It is difficult to foresee what other entitlements the Congress might choose to reduce substantially any time in the near future. The appetite for further squeezing Medicare reimbursement rates, for example, may be tempered by concern that additional cutbacks could adversely affect the quality of care for beneficiaries. Federally funded retirement programs have all been revamped in recent years--Social Security in 1983 and federal civilian and military employee retirement in 1986--and thus seem to be unlikely candidates for additional cutbacks. (In fact, the most recent reconciliation act granted Social Security beneficiaries a cost-of-living adjustment in January 1987 that they would not otherwise have received and exempted the COLAs of federal retirees from any future sequestration.) Finally, in the wake of substantial reductions in means-tested programs in 1981, the Congress has shown no tendency to shrink further the social safety net.

Nondefense Discretionary Spending. Nondefense discretionary programs encompass the great majority of all functions of the federal government, but they account for only about one in every six dollars spent. Following the elimination of a small number of appropriated nondefense programs in 1981 and sharp cutbacks in many others, aggregate funding for nondefense discretionary programs has not changed greatly in real terms. Typically, nominal-dollar freezes in some programs and relatively small cuts in others have been offset by increases elsewhere and by new initiatives, such as the Surface Transportation Assistance Act of 1982, the 1983 jobs bill, and the Anti-Drug Abuse Act of 1986. Some additional savings could be achieved in this area by limiting the growth in existing programs while forgoing new ones. However, major reductions are likely to be achieved in this category only by eliminating or consolidating programs--a course that the Administration has continually recommended and that the Congress has largely rejected.

One-Time Offsets to Outlays

Because the appetite for further substantial program cutbacks seems small, the temptation to achieve one-time outlay reductions through such expedients as the sale of government-owned assets is likely to remain correspondingly great. In that the deficit is already on a declining path, asset sales and similar devices might be viewed by some as a reasonable means of offsetting the temporary revenue loss in 1988 and 1989 resulting from tax reform. On the other hand, to the extent that one-time offsets to outlays are used as substitutes for more enduring changes in fiscal policy, such techniques merely camouflage the deficit problem. Moreover, asset sales do nothing to reduce the federal government's presence in credit markets.

Whatever the desirability of this approach, its potential is nowhere nearly exhausted. The government's current loan portfolio has a face value of about $250 billion. Even if the market heavily discounted such paper, the sale of only a small portion of the outstanding loans would generate substantial receipts. Alternatively--or additionally--recipients of federal loans could be encouraged to repay their debts and to borrow instead in the private market with a federal guarantee. (This approach has already been adopted for some Rural Electrification Administration loans and has been advocated for military sales loans to Israel and Egypt.)

Revenue Increases

To the extent that the Congress does not rely on further program cutbacks or one-time expedients to reduce the deficit, additional revenues will be required. Three general approaches are available: raising tax rates, broadening the base to which rates are applied, or adopting new levies.

Any proposed change in individual or corporate income taxes will be viewed in light of the Tax Reform Act of 1986, which was passed in the wake of two years of strenuous debate. When fully phased in, the Tax Reform Act will sharply lower the rates at which the incomes of both individuals and corporations are taxed, while appreciably broadening the base to which those rates are applied. This presents obvious opportunities to raise revenues in the future, either by limiting the rate reduction or by further broadening the income base. Both approaches are likely to be strongly opposed, however. Settling upon higher marginal tax rates than were agreed to in the Tax Reform Act would be seen by many people as reneging on a hard-fought bargain before it is allowed to take effect. Further base broadening could be opposed on the same grounds. It would probably be very difficult in any event, because those tax preferences that survived the tax reform debate are, almost by definition, the most jealously guarded ones. (Indeed, speculation has already begun that some interests that lost preferences in this year's bill will be arguing for their restoration next year.)

If these approaches were ruled out, the remaining alternative would be to increase other federal taxes or to impose new ones. Several proposals to do so were considered in the 99th Congress, including increasing levies on alcoholic beverages, raising federal gasoline taxes, and adopting new broad-based energy taxes. (One new levy was adopted as part of the Superfund Amendments of 1986--a new low-rate tax on corporations to be applied to a broad measure of corporate income.) Some or all of the proposals considered but rejected this year are likely to be reintroduced next year. Agreement on any sizable tax increase, however, would require that the two houses of the Congress and the President reach an agreement that they could not achieve this year.

SUMMARY OF 99TH CONGRESS ACTIVITIES

OF THE

COMMITTEE ON ENERGY AND NATURAL RESOURCES

During the 99th Congress the Committee on Energy and Natural Resources conducted an extensive oversight and legislative program under the chairmanship of Senator James A. McClure of Idaho. A total of 324 bills and resolutions were referred for consideration to the Committee. Several other bills and resolutions under the Committee's jurisdiction were considered and passed by the Senate without Committee referral. In addition, the Committee received 36 nominations, 28 Presidential messages, and 407 Executive communications.

In summary, the committee held 135 days of public hearings (including 23 field hearings) during the 99th Congress. These hearings encompassed 60 days of oversight, 59 days of legislative, and 16 days of nomination hearings. The Committee also held 55 business meetings and participated in 10 Senate-House conferences.

Action was completed on a broad range of oversight, legislative, and executive matters. Legislatively, 92 bills or resolutions were reported by the Committee, and the Committee was discharged of fourteen other measures. Among these were four measures which were sequentially referred to the Committee and reported favorably with amendments: S. 2676, S. 740, S. 1696, and H.R. 4212.

In the aggregate the Congress enacted 77 public laws within its jurisdiction. Two other measures (S. 360 and S. 1528) were incorporated in related public laws and several other measures, as discussed herein, were combined together. In addition, the President pocket vetoed H.R. 5465 (S. 2781), the National Appliance Energy Conservation Act of 1986.

When the Congress adjourned sine die, eight Senate passed measures, within the jurisdiction of the Committee, were pending before the House, and one House passed measure was being held at the Senate desk. Some 13 other measures reported by the Committee were pending on the Senate Calendar.

During the 99th Congress, 36 nominations were submitted by President Reagan and referred to the Committee. Of these, 30 were reported favorably by the full Committee, two were discharged from the Committee, and 32 were confirmed by the

Senate. At the end of the 99th Congress, three were pending before the Committee and one had been withdrawn.

The Committee filed 92 Senate Reports on measures reported by the Committee. The Committee also published 105 hearing records.

As discussed below, the four principal areas of Committee activity -- budget, energy, natural resources, and territories -- were distributed among the full Committee and five subcommittees, as discussed below:

BUDGET

OVERSIGHT

During the 99th Congress, the full Committee, under the chairmanship of Senator James A. McClure, conducted seven days of oversight hearings on the President's proposed fiscal years 1986 and 1987 budgets for the Department of Energy, Department of the Interior, the U.S. Forest Service, the Federal Energy Regulatory Commission, and the Synthetic Fuels Corporation. In addition, the Subcommittee on Energy Research and Development, under the chairmanship of Senator Pete V. Domenici of New Mexico, conducted nine days of hearings on the Department of Energy Research and Development Programs.

Following these annual reviews of the President's proposed budgets for fiscal years 1986 and 1987, the Committee submitted its reports to the Senate Budget Committee. In its February 1986 report the Committee noted that since 1981 when the Congress, and the Committee, began efforts with the fiscal year 1982 budget to streamline and make the Federal government more efficient, funding for programs within its jurisdiction have decreased from approximately $16.5 billion to $13.0 billion for fiscal year 1986. This is an absolute decrease of 21 percent, which corresponds to approximately a 31 percent reduction after inflation. The Committee was concerned that further budget cuts of this size in national energy and natural resource activites may seriously weaken the United States' energy and natural resources base that is a vital part of our national economic strength. Therefore, the Committee recommended that programs within its jurisdiction, in general, be funded at an aggregate current services level.

LEGISLATIVE ACTIVITIES

Subsequent to such reports, during each session of the 99th Congress, the Committee reported legislation to comply with its reconciliation instructions.

First Session: On September 26, 1985, the Committee, in accordance with S. Con. Res. 32, the First Budget Resolution for Fiscal Year 1986, reported its legislative recommendations necessary to comply with its reconciliation instructions. The accomplished budgetary savings exceeded the Committee's targets in its reconciliation instruction for fiscal year 1986 by $575 million in budget authority and $516 million in outlays. In addition, the savings exceeded the targets for the aggregate 3-year period of fiscal years 1986 to 1989 by $550 million in budget authority and $476 million in outlays.

The recommendations of the Committee were consistent with the assumptions in S. Con. Res. 32 in two areas. The recommendations of the Committee achieved savings in DOE's Strategic Petroleum Reserve program by reducing the minimum average annual fill-rate from 159,000 to 35,000 barrels per day. The recommendations of the Committee also included legislation to settle the legal dispute between the Federal Government and several States regarding the disposition of escrowed revenues from the 8(g) zone of the Outer Continental Shelf.

In addition, the recommendations of the Committee achieved budgetary savings in two areas not assumed in its reconciliation instruction. First, the Committee suggested an authorization for the Department of Energy's uranium enrichment program, requiring the program to operate at no additional cost to the Treasury. Second, the Committee achieved savings in the DOE energy conservation programs by authorizing Federal agencies to enter into certain contracts for energy efficiency improvements in Federal buildings.

The Consolidated Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272) contained provisions in each of these areas. In addition, the Act provided for termination of the United States Synthetic Fuels Corporation.

Second Session: On July 29, 1986, the Committee, in accordance with S. Con. Res. 120, the Concurrent Resolution on the Budget, Fiscal Year 1987, again reported its legislative recommendations necessary to comply with its reconciliation instruction. For fiscal year 1987, the Committee estimated that its recommendations would achieve savings in spending of $132 million in budget authority and $132 million in outlays compared to the SBC Baseline; and, for the three-year period fiscal years 1986 through 1989, the Committee estimates that its recommendations would achieve aggregate savings in spending of $246 million in budget authority and $246 million in outlays.

Consistent with the assumptions in its reconciliation instruction, the recommendations of the Committee included provisions in two areas: first, recoupment of additional petroleum overcharge funds currently held in escrow in the Stripper Well case and other crude oil overcharge cases; and, second, recovery by the Federal Energy Regulatory Commission of its direct and indirect costs through the use of fees and annual charges assessed against all companies that are subject to FERC's jurisdiction.

The recommendations of the Committee also achieved savings in spending in four areas not assumed in its reconciliation instruction: (1) Federal energy management; (2) DOE Manufacturers Energy Consumption Survey; (3) DOE Study of Crude Oil Production and Refining Capacity in the United States; and (4) DOI Great Swamp National Wildlife Refuge.

The Omnibus Budget Reconciliation Act of 1986 (P.L. 99-509) contained provisions in each of these areas.

Throughout the budgetary process the Committee opposed proposals to privatize the Power Marketing Administrations of the Department of Energy. The Committee also opposed (1) the imposition of entrance fees affecting Forest Service and other public lands, and (2) proposals to change the formula for the distribution to States and counties of Department of Agriculture timber sales receipts and Department of the Interior on-shore oil and gas leasing receipts on a net basis after deduction of program costs.

Measures Inacted Into law.

Public Law 99-272 (H.R. 3128): Title VI - Energy and related programs, Consolidated Omnibus Budget Reconciliation Act of 1985.

Public Law 99-509 (H.R. 5300): Title III - Energy and environmental programs, Omnibus Budget Reconciliation Act of 1986.

ENERGY

OVERSIGHT

During the 99th Congress, the full Committee, under the chairmanship of Senator James A. McClure of Idaho, conducted 14 days of oversight hearings on a variety of energy issues pertinent to its jurisdiction, including:

-- Domestic and International Petroleum Situation and the Implications of Fees on Imported Oil (5 days);

-- Nation's Electric Utility Industry (2 days);

-- Implementation of the Public Utility Regulatory Policies Act of 1978 (2 days);

-- Clean Coal Technology Development and Strategies for Acid Rain Control (2 days);

-- Chernobyl Accident and Implications for the Domestic Nuclear Industry (1 day); and

-- Treasury Department's Tax Reform Proposal and the Oil and Gas Industry (2 days).

In addition, eight days of oversight hearings on energy issues were held by the Subcommittee on Energy Regulation and Conservation, under the chairmanship of Senator Don Nickles of Oklahoma, as follows: Automobile Fuel Economy Standards (1 day); Industrial Energy Efficiency (1 day); natural gas issues (5 days), including review of FERC's Order No. 436 (2 days) and FERC's Notice of Proposed Rulemaking on Regulation of Natural Gas Pipelines after Partial Wellhead Decontrol (1 day); and the impact of imported petroleum products on the domestic petroleum industry (1 day).

The Subcommittee on Energy Research and Development, under the chairmanship of Senator Pete V. Domenici of New Mexico, also held 13 days of energy oversight hearings on the President's proposed fiscal year 1986 and 1987 budgets for Department of Energy research and development and programs (9 days); the Mission Plan for the civilian radioactive waste management program (1 day); the second waste repository site selection under DOE's Office of Civilian Radioactive Waste Management (1 day); clean coal technologies (1 day); and technology transfer (1 day).

The Subcommittee on Natural Resources Development and Production, under the chairmanship of Senator John W. Warner of Virginia, held 4 days of energy oversight hearings on: prospects for the export of American coal (1 day); the impact of coal and electricity imports on the domestic coal industry (2 day); and the state of the coal industry in Oklahoma (1 day).

Energy oversight activities of particular importance were:

Domestic and International Petroleum Situation

The full Committee held five days of hearings on the domestic and international petroleum situation and the implications of fees on imported oil. The purpose of the oversight hearings was to explore the factors that are affecting the price and supply of oil, and to begin to assess their implications for U.S. policy. The dramatic drop in oil prices in early 1986 produced a mixed bag of results. One day of the hearings was devoted to the domestic and international implications of a fee on imported oil.

In addition, the Subcommittee on Energy Regulation and Conservation held a hearing on the impact of imported petroleum products on the domestic petroleum industry. The hearing addressed concerns by major oil companies and independents alike that imports of petroleum products -- gasoline in particular -- are adversely affecting the domestic refining industry and U.S. energy security.

Automobile Fuel Economy Standards

The Subcommittee on Energy Regulation and Conservation held a hearing on Automobile Fuel Economy Standards. Title V of the 1975 Energy Policy and Conservation Act initiated a requirement that each automobile manufacturer selling cars in the United States achieve an average new car fleet efficiency of a specified number of miles per gallon. The hearing studied the wide divergence in views about automobile fuel efficiency that has developed after nearly a decade with these standards, and how the standards have contributed to the goals of conserving domestic energy resources.

Clean Coal Technology Development and Strategies for Acid Rain Control

The full Committee held two days of hearings on clean coal technology development and strategies for acid rain control. The general purpose of the hearings was to provide, from a macro-perspective, a review of the relationships between timetables for implementation of the DOE Clean Coal Technology program and timetables being proposed for the control of acid rain.

Clean Coal Technologies: In addition, the Subcommittee on Energy Research and Development held a hearing on the Department of Energy's Report to the Congress: Emerging Clean Coal Technologies. The Secretary of Energy solicited from the private sector "statements of interest in, and proposals for projects employing emerging clean coal technologies." These solicitations were to then be analyzed and a report submitted that "assesses the potential usefulness of each emerging clean coal technology" and "identifies the extent to which Federal incentives, including financial assistance, will accelerate the commercial availability of these technologies."

Other Coal Issues

Coal Imports: The Subcommittee on Natural Resources Development and Production held a hearing on the impact of coal imports on the domestic coal industry. The hearing was precipitated by the signing of contracts with Columbia for 500,000 tons of coal per year for power generation. The threat was perceived to be two-fold: displacement of domestic coal production by imports, and the direct loss of employment attributable to imports. The Committee examined the public policy implications of additional coal imports, including trade, energy, employment and transportation policies.

Impacts of Coal and Electricity Imports on the Domestic Coal Industry: The Subcommittee on Natural Resources Development and Production held a hearing on the impact of coal and electricity imports on the U.S. coal industry. The hearing focussed on the impact of coal imports from Colombia based on a report from the Energy Information Administration mandated by Congress through the National Coal Imports Reporting Act of 1985. The hearing also addressed the displacement of Appalachian coal with Canadian electricity and the possible effect it may have in that coal region.

Prospects for Exporting American Coal: The Subcommittee on Natural Resources Development and Production held a hearing on the prospects for exporting American coal. Witnesses offered recommendations on increasing coal exports and improving the competitiveness of American coal in world markets. The testimony reviewed (a) the changing nature of international coal trade and the implications for U.S. exporters and exports; (b) the current export promotion activities of the International Trade Administration designed to enhance the competitive strengths of our coal exporting industry, and counterbalance both domestic and international constraints to U.S. coal exports; and, (c) the status of the Federal Coal Export Commission. Coal transportation issues such as railroad deregulation, maintenance and improvement of inland waterways, port improvements, coal slurry eminent domain, and cargo preference were also discussed.

Electric Utility Issues

Extensive hearings were held on various issues affecting the Nation's electric utilitiy industry, in addition to hearings on clean coal technologies and strategies for acid rain control.

Potential for Regional Shortages: The full Committee held two days of hearings on the potential for serious regional shortages of electric power in the U.S. by the early 1990's. Conservation, cogeneration, imported power from Canada, and the voluntary wheeling of power were considered.

Implementation of the Public Utility Regulatory Policies Act of 1978: The full Committee also held two days of hearings on the implementation of the Public Utility Regulatory Policies Act of 1978 (PURPA). These hearings focused on three basic questions. First, to what extent have the basic goals of PURPA been achieved. Second, what new problems have been created, particularly those involving the issue of fairness to electric utility ratepayers. Third, to what extent are those problems self-correcting.

Industrial Energy Efficiency

The Subcommittee on Energy Regulation and Conservation held a hearing on innovative approaches in industrial energy efficiency. The hearing surveyed energy conservation issues in the industrial and commercial sectors.

Natural Gas Issues

The Subcommittee on Energy Regulation and Conservation held five days of hearings on natural gas issues. Included were two days of hearings on the current state of, and the factors affecting, the natural gas market.

The Subcommittee also held a hearing on the Federal Energy Regulatory Commission's notice of proposed rulemaking (NOPR) on regulation of natural gas pipelines after partial wellhead decontrol. The hearing reviewed the NOPR, explored its implications for producers, pipelines, distribution companies, and consumers, and assessed its impact on the price and supply of natural gas.

In addition, the Subcommittee held two days of hearings on the Federal Energy Regulatory Commission's Order No. 436. Order No. 436 adopted final regulations creating a self-implementing voluntary natural gas transportation program and an optional expedited certificate procedure, and proposed a revised "block billing" procedure.

Nuclear Issues

Extensive hearings were held on a number of nuclear issues of concern to the Committee.

Chernobyl Accident and Implications for the Domestic Nuclear Industry: The full Committee held a hearing on the Chernobyl nuclear reactor accident and implications for the U.S. nuclear industry. The hearing addressed concerns by Members of this Committee about the immediate and long-term health effects of the Chernobyl accident, the safety of our U.S. commercial and defense reactors, the need for licensing reform, and the accident's overall impact on world energy supplies.

Nuclear Waste Mission Plan: The full Committee also held extensive hearings on various aspects of implementation of the

Nuclear Waste Policy Act. The Subcommittee on Energy Research and Development held a hearing on DOE's Mission Plan for the Civilian Radioactive Waste Management Program. The Nuclear Waste Policy Act of 1982 mandated DOE to prepare a comprehensive report, the "Mission Plan", which shall provide sufficient information to permit decisions to be made in carrying out the repository program for acceptance of nuclear waste by January 1998. The Plan was submitted in July of 1985.

Second Waste Repository Site Selection Under DOE's Office of Civilian Radioactive Waste Management: The Subcommittee on Energy Research and Development held a hearing on the Department of Energy's site selection activities relating to the second high-level nuclear waste repository. The Nuclear Waste Policy Act (NWPA) of 1982 contains two major provisions with respect to siting activities for a second waste repository. Site selection activities with respect to the second repository were indefinitely postponed by the DOE. This hearing revisited the original intent of the NWPA, to gain a better understanding of the basis of the Department's decision, and to afford the Department an opportunity to hear the reactions of various elected officials and interested public parties to the Department's recent announcement.

LEGISLATIVE ACTIVITIES

Full Committee: During the 99th Congress the following energy measures were referred, for consideration, to the full Committee: three Senate bills, one Senate resolutions and one House bill. In addition, one House bill under the full Committee's jurisdiction was handled on the floor of the Senate without Committee referral.

Within the jurisdiction of the full Committee, chaired by Senator James A. McClure of Idaho, the principal legislative initiatives were included in the aforementioned reconciliation legislation. These initiatives included settlement of disposition of additional petroleum overcharge funds currently held in escrow in various crude oil and petroleum overcharge cases, the Strategic Petroleum Reserve (SPR), Federal energy management, recovery by the Federal Energy Regulatory Commission of its direct and indirect costs, simplification of the DOE manufacturers energy consumption survey, uranium enrichment, and a study of the effect of oil imports on domestic crude oil production and refining capacity.

In addition, after extensive oversight hearings by the full Committee on international oil issues, the Congress enacted an extension of Titles I and II of the Energy Policy and Conservation Act (P.L. 99-58). These titles contain statutory authorities that are integral to the capability of the United

States to respond domestically and internationally to severe energy supply interruptions. The most important feature of title I of EPCA is its authorization of the construction, filling and maintenance of the Strategic Petroleum Reserve (SPR). It also authorizes the drawdown and distribution of SPR oil in accordance with the provisions of a "distribution plan". This public law also authorized a one time test drawdown and distribution of the SPR through the sale or exchange of approximately 1,100,000 barrels of crude oil from the Reserve.

Title II of EPCA contains the basic statutory authority for the United States participation in the International Energy program, which is operated by the International Energy Agency.

In addition, the full Committee held a hearing on S. 2073, dealing with the licensing of nuclear power plants.

Subcommittees: During the 99th Congress, ten Senate and two House energy bills were referred to the Subcommittee on Energy Regulation and Conservation. The Subcommittee, under the chairmanship of Senator Don Nickles of Oklahoma, held extensive hearings on natural gas legislation, including the Natural Gas Utilization Act of 1985 (S. 1251); S. 1302, amending the Natural Gas Policy Act; S. 2205, eliminating certain restrictions on the use of natural gas and petroleum; and S. 2285, promoting competition in the natural gas market, ensuring open access to transportation service, encouraging production of natural gas, providing natural gas consumers with adequate supplies at reasonable prices and eliminating demand restraints. Several business meetings were held by the full Committee on natural gas legislation, however, such legislation was not reported before adjournment.

The Subcommittee also held hearings on energy legislation related to: S. 410, repealing the Commercial and Apartment Conservation Service; and S. 2781 and H.R. 5465, amending the Energy Policy and Conservation Act with respect to energy conservation standards for appliances.

During the 99th Congress, 18 Senate bills and one Senate Resolution were referred to the Subcommittee on Energy Research and Development. The Subcommittee, under the chairmanship of Senator Pete V. Domenici, held two legislative hearings, one of which was a joint hearing with House Interior Subcommittee on Energy and the Environment, on S. 1004, dealing with uranium mill tailings cleanup and other uranium issues. The full Committee addressed this bill during two business meetings, and reported S.1004 on September 19, 1986.

The Subcommittee also held one hearing on S.1225, to reauthorize the Price-Anderson Act. Following four full

Committee business meetings, this bill was reported on May 21, 1986.

The Subcommittee also held a joint hearing with the Environment and Public Works Subcommittee on Nuclear Regulation, on S.1517, to amend the Low-Level Radioactive Waste Policy Act of 1980. The bill was the subject of three full Committee business meetings, after which the bill was reported to the Senate on November 22, 1985. A similar bill, H.R. 1083, was enacted into law (P.L. 99-240) on January 15, 1986.

In addition, a single subcommittee hearing was held on two related bills, S.1686 and S.1687, dealing with fuel cell technology. S.1687 was later reported, following a September 24, 1986 full Committee business meeting.

In related actions, the Congress, in the Continuing Appropriations Act for FY 1987 (H.J. Res. 738), reduced by $179 million the funding for nuclear waste disposal, and provided no funds for exploratory shaft work during FY 1987. Of the $499 million appropriated for the Nuclear Waste Disposal Fund, $79 million will be made available subject to certification by the Secretary of Energy that he has made good faith efforts with respect to consultation with the states selected for site characterization. Also contained in the Conference Report (99-1005) accompanying H.J. Res. 738 is language approving, subject to certain modifications, the Department of Energy's revised uranium enrichment criteria.

Measures Enacted Into Law.

Public Law 99-58 (H.R. 1699, Mr. Sharp, et al. (S. 979, Mr. McClure, Mr. Bingaman)): An Act to extend title I and part B of title II of the Energy Policy and Conservation Act, and for other purposes.

Public Law 99-240 (H.R. 1083, Udall (S. 1517, McClure)), to amend the Low-Level Radioactive Waste Policy Act of 1980 to improve procedures for the implementation of compacts providing for the establishment and operation of regional disposal facilities for low-level radioactive waste.

Public Law 99-367 (S. 1068) Mr. Johnston and Mr. McClure: An Act to eliminate unnecessary paperwork and reporting requirements contained in section 15(1) of the Outer Continental Shelf Lands Act, and sections 601 and 606 of the Outer Continental Shelf Lands Act Amendments of 1978.

Public Law 99-412 (S. 410) Mr. Johnston, Mr. Warner, Mr. McClure, Mr. Murkowski, Mr. Trible and Mr. Nickles: An Act to repeal the provisions of the National Energy Conservation Policy

Act which requires electric and gas utilities to offer comprehensive site specific audit services to those customers who are owners of multifamily dwellings and commercial buildings.

Related Public Law.

Public Law 99-24 (S. 781), an Act to amend the Biomass Energy and Alcohol Fuels Act of 1980 to clarify the intention of Section 221 of the Act.

Public Law 99-272 (H.R. 3128): Title VI - Energy and related programs, Consolidated Omnibus Budget Reconciliation Act of 1985.

Public Law 99-509 (H.R. 5300): Title III - Energy and environmental programs, Omnmibus Budget Reconciliation Act of 1986.

Other Measures Actively Considered.

S. 834, Mr. Bradley: A bill to increase competition in the transportation of gas. (Hearings held.)

S. 1004, Mr. Domenici; Mr. Simpson; Mr. Bingaman; Mr. Wallop; Mr. Garn and Mr. Hatch: A bill to authorize and direct the Secretary of Energy to establish a program to provide for reclamation and other remedial actions with respect to mill tailings at active uranium and thorium processing sites. (Hearings held. S. Hrg. 99-673) (Reported to the Senate with an amendment in the nature of a substitute and an amendment to the title. S. Rept. 99-464)

S. 1225, Mr. Simpson; Mr. McClure: A bill to amend the Atomic Energy Act of 1954, as amended, to establish a comprehensive, equitable, reliable and efficient mechanism for full compensation of the public in the event of an accident resulting from activities undertaken under contract with the Department of Energy or activities undertaken by Nuclear Regulatory Commission licensees involving nuclear materials. (Hearings held. S. Hrg. 99-439) (Reported to the Senate. S. Rept. 99-310)

S. 1251, Mr. Domenici; Mr. Johnston; Mr. Gramm; Mr. Bingaman; Mr. Hecht; Mr. Bumpers and Mr. Long: A bill entitled the "Natural Gas Utilization Act of 1985." (Hearings held. S. Hrg. 99-689)

S. 1302, Mr. Nickles: A bill to amend the Natural Gas Policy Act of 1978, to protect consumers from market distortions that occur as a consequence of current partial regulation of natural gas prices by eliminating the remaining wellhead price regulation as contracts expire, or terminate, or are renegotiated, to permit natural gas contracts to reflect free market prices, to eliminate incremental pricing requirements for natural gas, to eliminate certain restrictions on the use of natural gas and petroleum, and for other purposes. (Hearings held. S. Hrg. 99-689)

S. 1441, Mr. McClure: A bill to amend the Guam Organic Act, and for other purposes. (Hearings held. S. Hrg. 99-515)

S. 1686, Mr. Matsunaga; Mr. Weicker; Mr. Hollings; Mr. Murkowski; Mr. Inouye and Mr. Bingaman: A bill entitled the "Renewable Energy/Fuel Cell Systems Integration Act of 1985. (Hearings held. S. Hrg. 99-595)

S. 1687, Mr. Matsunaga; Mr. Weicker; Mr. Hollings; Mr. Murkowski and Mr. Inouye: A bill to develop a national policy for the utilization of fuel cell technology. (Hearings held. S. Hrg. 99-595) (Reported to the Senate with amendments.)

S. 2073, Mr. McClure (by request); Mr. Warner and Mr. Johnston: A bill to encourage the standardization of nuclear powerplants, to improve the nuclear licensing and regulatory process, to amend the Atomic Energy Act of 1954, and for other purposes. (Hearings held. S. Hrg. 99-657)

S. 2205, Mr. Nickles and Mr. Boren: A bill to eliminate certain restrictions on the use of natural gas and petroleum, and for other purposes. (Hearings held. S. Hrg. 99-689)

S. 2285, Mr. McClure (by request) and Mr. Gramm: A bill to promote competition in the natural gas market, to ensure open access to transportation service, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices, to eliminate demand restraints, and for other purposes. (Hearings held. S. Hrg. 99-689)

S. 2781, Mr. Evans; Mr. Johnston; Mr. Cranston; Mr. Matsunaga; Mr. Weicker; Mr. Ford; Mr. Melcher; Mr. Bumpers; Mr. Sarbanes; Mr. Grassley; Mr. D'Amato; Mr. Quayle; Mr. Pryor; Mr. Gore; Mr. Bentsen; Mr. Glenn; Mrs. Hawkins; Mr. Burdick; Mr. Moynihan; Mr. Kerry; Mr. Lugar; Mr. Heinz; Mr. Durenberger; Mr. Broyhill; Mr. Metzenbaum; Mr. Harkin; Mr. Rudman; Mr. Gorton; Mr. Domenici; Mr. Sasser; Mr. Riegle; Mr. Specter; Mr. Boschwitz; Mr. Kasten; Mr. Wilson; Mr. Levin; Mr. Danforth and Mr. Biden: A bill to amend the Energy Policy and Conservation Act with respect to energy conservation standards for appliances. (Hearings held.) (H.R. 5465 reported amended in lieu of S. 2781)

H. R. 5465, Mr. Markey, et al.: A bill to amend the Energy Policy and Conservation Act with respect to energy conservation standards for appliances. (Full Committee business meeting; ordered reported amended.)(Passed Senate.) (House agreed to

Senate amendments.) (On November 1, 1986, the President pocket vetoed the bill.)

NATURAL RESOURCES

OVERSIGHT

During the 99th Congress the full Committee, under the chairmanship of Senator James A. McClure of Idaho, conducted three days of oversight hearings on certain natural resource issues pertinent to its jurisdiction, including:

-- OCS Leasing (1 day);

-- Distribution of Outer Continental Shelf Section 8(g) Revenues in Response to Instructions on the Budget Resolution (1 day);

-- President's July 8, 1985 National Defense Stockpile "Modernization" Proposal and its potential impacts on the domestic mining industry (1 day); and

-- Applicable Water Law during FERC Hydroelectric Licensing Proceedings (1 day).

The Subcommittee on Natural Resources Development and Production, under the chairmanship of Senator John W. Warner of Virginia, held two days of oversight hearings on natural resource issues: impact of the Coal Industry on the Office of Surface Mining's Proposed Rulemaking to Collect Permit Application Fees (1 day); and mining industry in the Northwest (1 day).

The Subcommittee on Public Lands, Reserved Water and Resource Conservation, under the chairmanship of Senator Malcolm Wallop of Wyoming, held 5 days of oversight hearings on:

-- Preserving Archaeological and Paleontological Sites and Objects (1 day);

-- National Park System (1 day);

-- Memorials and Monuments on Federal and District Lands in the District of Columbia (1 day);

-- Recreation Fees as Authorized in the Land and Water Conservation Fund Act of 1965, as amended (1 day); and

-- Public Land Access (1 day).

The Subcommittee on Water and Power, under the chairmanship of Senator Frank H. Murkowski of Alaska, held 3 days of oversight hearings on water supply issues in the Mid-Atlantic Region (3 days).

Natural resource issues of particular oversight concern to the Committee included:

Archaeological and Paleontological Sites

The Subcommittee on Public Lands, Reserved Water and Resource Conservation held a hearing on the preservation of archaeological and paleontological sites and objects. The Committee reviewed how effectively the land managing agencies are carrying out their responsibilities to manage, protect and preserve archaeological and paleontological sites and objects. Testimony from archaeologists, paleontologists, curators, law enforcement officials and land managers identified the problems connected with protection, access, curation, enforcement and management on these sites.

National Park Service

The Subcommittee on Public Lands, Reserved Water and Resource Conservation held a hearing which focused on issues affecting the National Park Service. The Subcommittee reviewed (a) the report of the Conservation Foundation entitled "National Parks for a New Generation"; (b) the future of the National Park System by discussing with the new Director of the Park Service his 12 points for guiding and managing the national parks, and (c) travel and tourism effects on the National Park System.

Recreation Fees

The Subcommittee on Public Lands, Reserved Water and Resource Conservation held a hearing on Recreation Fees as authorized in the Land and Water Conservation Fund Act of 1965, as amended. The purpose of the hearing was to provide an opportunity to examine the matter of increasing the money received by the Federal Government and its park, forest, reservoir and public land areas used for recreation purposes. Because budget recommendations submitted to the Congress this year placed heavy reliance upon the increase of existing fees and the imposition of new fees upon recreation users as a means of generating additional income, the hearing would serve to prepare Congress to deal with a Administration legislative proposal to implement these budget recommendations, should it be forthcoming.

Surface Mining Permit Fees

One day of hearings was dedicated to examining the effects of proposed permit fees by the Office of Surface Mining on the domestic coal industry. The full Committee reviewed the coal industry's contention that these additional costs would only exacerbate the problems of the already depressed coal market and whether such a charge had public policy implications beyond the collection of fees.

OCS Leasing and Revenue Sharing

The full Ccommittee conducted two days of oversight hearings related to Outer Continental Shelf oil and gas leasing. One day was dedicated to leasing moratoria and one to the division of revenues from the Section 8(g) zone.

Stockpile "Modernization"

The full Committee held a hearing on the President's July 8 National Defense Stockpile "Modernization" Proposal and its Potential Impact on the Domestic Mining Industry. The hearing addressed two concerns regarding the proposal: (a) the stockpile goals in the President's Tier I, which purportedly consists of those materials that would be required during a protracted military conflict, and (b) the rationale behind creating a "Supplemental Reserve" or Tier II.

Water Law Applicable During FERC Hydroelectric Licensing Proceedings

The full Committee held an oversight hearing on the consideration of applicable water law during the Federal Energy Regulatory Commission's hydroelectric licensing proceedings. The Committee considered the desirability of amending the Federal Power Act to reflect greater deference to State water law.

Water Supply in Mid-Atlantic Region

The full committee held three days of hearings on Water Supply Issues in the Mid-Atlantic States which surround the Delaware River Basin: New Jersey, Pennsylvania, New York, and Delaware. The hearings focused on broad water supply issues in the four concerned States. The hearings were precipitated by the serious drought conditions in the Delaware basin and efforts to mitigate its effects.

LEGISLATIVE ACTIVITIES

Full Committee: During the 99th Congress, seven natural resource measures were referred, for consideration, to the full Committee. The full committee, under the chairmanship of Senator James A. McClure of Idaho, held 7 days of legislative hearings, one of which was held jointly with the Select Committee on Indian Affairs, on the following matters: settlement of water rights claims of the La Jolla, Rincon, San Pasqual, Puama, and Pala Bands of Mission Indians in San Diego County, CA. - joint hearing (S. 2676).

Subcommittees: During the 99th Congress, 15 Senate and one House natural resource bills were referred to the Subcommittee on Natural Resources Development and Production, under the chairmanship of Senator John W. Warner of Virginia. One of these measures was enacted into law.

The subcommittee held six days of hearings on legislation related to:

-- improving the administration of the Federal coal leasing program (S. 372, S. 570, S. 913, S. 946);

-- directing the cooperation of certain Federal entities in the implementation of the Continental Scientific Drilling Program (S. 1026); and

-- amending the Geothermal Steam Act of 1970 (S. 1322).

A considerable amount of time was spent in the subcommittee addressing the condition of the domestic coal industry. In addition to the amendments mentioned above, the subcommittee addressed the impacts of coal and electricity imports on the domestic coal industry, the prospects for exporting American coal, and the impact on the coal industry by the Office of Surface Mining's proposed rulemaking to collect permit applications fees.

The Federal Coal Leasing Program amendments were also taken up at Full Committee Business meetings during which S. 2427, Senator McClure's bill, was used as the vehicle for this legislation. S. 2427 - S. Rept. 99-436 was ordered reported as amended.

During the 99th Congress, 19 Senate bill, one Senate resolution, nine Senate Joint Resolutions, 58 House bills, five House Joint Resolutions, and one House Concurent Resolution were referred to the Subcommittee on Public Lands, Reserved Water and Resource Conservation. An additional eight House bills were held at the Senate desk without Committee referral.

The Subcommittee conducted 36 days of legislative hearings. The Congress enacted 46 public laws within the jurisdiction of the subcommittee. As discussed below, those of particular interest are the Great Basin National Park, Migratory bird conservation fund amendments, military withdrawals, quiet title act amendments, ski area permits, and water conveyance systems.

During the 99th Congress, 35 Senate bills, and four House bills were referred to the Subcommittee on Water and Power, under the chairmanship of Senator Frank H. Murkowski of Alaska. In addition, one House-passed measure was held at the Senate desk without referral to the Committee.

The Subcommittee held 9 days of hearings on 17 of these measures, including:

-- Electric Consumers Protection Act of 1986 (S. 426);

-- Ratepayer Protection Act of 1986 (S. 1149);

-- Small Reclamation Projects Act of 1956 Amendments (S. 1171);

-- Implement the Coordinated Operation Agreement (S. 1192);

-- Henry's Fork of the Snake River Protection Act of 1986 (S. 2635); and

-- other miscellaneous water and power resources legislation.

Of the measures referred to the Subcommittee, six became public law as discussed below. Five others were incorporated into public laws which originated with other committees; these included matters related to: (1) the relief of water users deprived of winter stock water on Willow Creek, Idaho (S. 686); (2) integration of the Hilltop and Gray Goose Units into the Pick-Sloan Missouri Basin Program (S. 1131); (3) providing for studies of the disposal of drain water and construction of interim corrective measures for the San Luis interceptor drain (S. 1157); (4) increase the appropriations ceiling for the North Loup project, and (5)transfer or sale of the Federal Power Marketing Administrations (S. 2328).

In addition there were three measures (S. 230, S. 1319, S. 1772) within the subcommittee's jurisdiction which had been reported by the Committee and were awaiting action by the Senate when Congress adjourned sine die. A fourth measure (S. 2894) had been added as an amendment to H.R. 5465, the National Appliance Energy Conservation Act of 1986, which was subsequently vetoed by the President. A fifth measure, H.R. 2340, had passed the House and was pending before the Committee at time of adjournment.

Buy America: After attempts by the House to include it in the joint resolution (H. J. Res. 738) making continuing appropriations for fiscal year 1987, the Senate defeated a "Buy America" amendment. The amendment would have required that any structure used on the Outer Continental Shelf (OCS) be built in the United States and that one half, by cost, of the supplies, materials or articles used in the building of such structures be of U.S. origin. The Senate argued that currently 90 percent of the materials going into offshore oil platforms are made and produced in the United States, jobs would be lost to both the oil and steel industries, and industry and government estimates indicate that these costs would make marginal prospects unaffordable which would further decrease the Nation's energy security.

A summary of the major natural resource public laws within the jurisdiction of the Committee include:

Colorado River Floodway Protection Act

Public Law 99-450 establishes the Colorado River Floodway Task force to prepare recommendations concerning the management of lands within the Colorado River Floodway including the potential application of the Floodway to Indian lands. The Act establishes the Colorado River Floodway, with boundaries to be determined by anticipated floodflow levels on the Colorado River downstream from Davis Dam. The Act denies the availability of new expenditures or new financial assistance for any purpose within the Floodway with specified exceptions. The Act amends the National Flood Insurance Act of 1968 to limit new flood insurance coverage on new construction or substantial improvements to structures located within the Floodway. The Act prohibits the granting of leases on public lands between Hoover dam and Davis Dam unles the Secretary of the Interior determines that the lease would be consistent with the operation of Lake Mojave.

Coordinated Operations Agreement, the Suisun Marsh Preservation Agreement implementation, and amendments to the Small Reclamation Projects Act of 1956, and for other purposes:

Public Law 99-546 contains four titles. Title I authorizes the Secretary of the Interior to enter into an agreement with the State of California for the coordinated operation of the Bureau of Reclamation's Central Valley Project and the State Water Project and prescribes certain conditions and criteria related thereto. In addition, title I establishes certain repayment requirements for contracts for the delivery of water from the Central Valley Project. Title II authorizes the Secretary of the Interior to execute and implement the Suisun Marsh Preservation Agreement and prescribes cost sharing and repayment requirements as well as authorizing the appropriation of $50 million to carry out the Agreement. Title III amends the Small Reclamation Projects Act of 1956 so as to emphasize the use of the program for the rehabilitation and betterment of existing projects for purposes of significant conservation of water, energy and the environment, and for purposes of water quality control. The Act is also amended to provide for cost sharing requirements and an increase in the interest rate charged for loans made pursuant to the Act and a reduction in the acreage eligible to receive the benefits of an interest-free loan. Title III also directs the Secretary of the Interior and the Secretary of Agriculture to jointly submit a report to the Congress regarding the effect of the Small Reclamation Projects Act on the production of surplus commodities. Title III also amends the Small Reclamation Projects Act to authorize the appropriation of $600 million for the program. Title IV validates certain contracts between the United States and irrigation districts on the Columbia Basin Project in Washington State.

Electric Consumers Protection Act of 1986

Public Law 99-495 clarifies that a municipal preference does not apply in the issuance of a new license for an existing hydroelectric project; gives new emphasis to the consideration of environmental and other non-developmental values in the licensing process; restricts the benefits for hydroelectric power development bestowed by the Public Utilities Regulatory Policy Act, establishes fees for the use of government dams and structures, and provides for the protection of Henry's Fork of the Snake River in Idaho.

Garrison Diversion Unit Reformulation Act of 1986

Public Law 99-294 authorizes the Secretary of the Interior to plan and construct a multi-purpose water resource development project in North Dakota providing for the irrigation of specified acreage, municipal, rural, industrial water supplies, fish and wildlife conservation and development, recreation, flood control, and other purposes in accordance with the Federal reclamation laws and the Garrison Diversion Unit Commission Final Report.

Great Basin National Park

Public Law 99-565 (S. 2566) authorizes the transfer of approximately 96,000 acres of land located in the South Snake Range Unit of the Humboldt National Forest to the National Park Service and would establish the Great Basin National Park. Grazing would continue subject to such terms and conditions deemed necessary for good range management. Grazing permittees would be able to request the Secretary of Agriculture to negotiate an exchange of their grazing allotment out of the park. The Public Law includes a disclaimer with respect to the establishment of United States water rights, and it requires that any land be acquired only with the consent of the owner. This is the first addition to the National Park System in six years.

Lower Colorado Water Supply Act

Public Law 99-655 authorizes the Secretary of the Interior to construct, operate, and maintain the Lower Colorado Water Supply Project, California and authorizes the appropriation of $1.8 million for construction of the project. The Act also authorizes the appropriation of operation and maintenance funds and authorizes the Secretary of the Interior to enter into water exchange contracts and to encourgae water exchange agreements in connection with the project.

Migratory Bird Conservation Fund Amendments

This Public Law extends through fiscal year 1988 the authorization for appropriations to the migratory bird conservation account. The cumulative ceiling for such appropriations, which are currently treated as advances from the general treasury, would remain unchanged at $200 million. The law also amends the Wetlands Loan Act so that funds appropriated to the migratory bird conservation fund would no longer be treated as advances, making repayment of previously appropriated funds unnecessary.

Title II authorizes the Secretary of the Interior to change admission fees at certain units of the National Wildlife Refuge System and to deposit the receipts collected, less 30 percent, into the migratory bird conservation fund. The U.S. Fish and Wildlife Service (USFWS) would also be authorized to sell Golden Eagle Passports, the receipts from which would be treated in the same manner as admission fees. Monies not deposited into the account could be used by the agency for collection costs and routine operating expenses at refuges. Section 202 of the Act would raise the price of duck stamps to $10 per year for hunting years 1987 and 1988, to $12.50 per year for hunting years 1989 and 1990, and to $15 per year for each hunting year thereafter. Section 203 would provide for the transfer to the migratory bird conservation fund of amounts equal to revenues collected on firearms and ammunition import duties.

Title III requires the Secretary to establish a national wetlands priority conservation plan. The bill would also remove existing restrictions against the use of funds in the Land and Water Conservation Fund for wetlands acquisition.

Title IV directs the USFWS to continue the national wetlands inventory project and submit a report to the Congress regarding wetlands losses in the United States.

Military Withdrawals

Public Law 99-606 (H.R. 1790) withdraws approximately 7 million acres of Federally-owned land in Nevada, Arizona, New Mexico, and Alaska, and reserves them for use by the Army, Air Force and the Navy. The lands, which are currently being used for the military purposes specified in the Act and administered by DOI, remain available for renewable periods of 15 years for various defense-related purposes, including armament testing, aerial gunnery and bombing training. DOI would be required to continue to manage the withdrawal lands, to publish maps and legal descriptions on the lands, and to develop management plans for all withdrawn lands within five years of passage. DOI would also be required to identify lands within certain of the withdrawal areas suitable for certain mineral and geothermal activities and to promulgate regulations for the use of these lands for mining development.

Quiet Title Act Amendments

Public Law 99-598 (H.R. 2484) amends the Quiet Title Act (86 Stat. 1176; 28 U.S.C. 2409a) to exempt the States from the 12-year statute of limitation applicable to quiet title actions against the United States. The Quiet Title Act was intended by Congress to provide a limited waiver of sovereign immunity in quiet title actions. Care was taken to prevent assertion of stale claims by providing the 12-year statute of limitation. A May 1983 Supreme Court decision (Block v. North Dakota, 461 U.S. 273) verified that the Quiet Title Act provides the exclusive authority under which States may judicially challenge the title of the United States to real property and that the statute of limitation is applicable to a State. The Public Law's purpose is to obtain more effective administration of public lands by providing more speedy resolution of intergovernmental title disputes.

Ski Area Permits

Public Law 99-522 (S. 2266) would establish new authority for issuance of all commercial alpine and nordic skiing area facility special-use permits on National Forest System lands. The Act extends the present authority governing the term of the permit from a maximum of 30 years to a maximum of 40 years. A shorter permit term may be used if the Secretary of Agriculture determines that the facilities or operations are of a scale or nature as are not likely to require long-term financing or operations. The bill allows ski area permits to encompass such acreage as the Secretary determines sufficient and appropriate to accommodate the permittee's needs for ski operations and ancillary facilities.

The Act also provides authority to the Secretary to issue a single permit for ski slopes, parking lots, and other lands and buildings covering an acreage that the Secretary determines sufficient and appropriate to accommodate the permittee's overall ski operation and facilities.

Water Conveyance Systems

The purpose of Public Law 99-545 (H.R. 2921) is to resolve the status of certain water conveyance systems now in place on National Forest System lands most of which are subject to special-use permits issued by the Forest Service. The legal status of some rights-of-way was placed in doubt when the statutory authority permitting their operation was repealed by FLPMA. Furthermore, some water conveyance systems in existence for 50 or more years do not have clear legal status and hence may be in trespass on National Forest System lands.

The Act declares that all water conveyance systems that were in place or under construction before October 21, 1976, the date of enactment of FLPMA, could be given a permanent easement at no cost to the holder.

Designating the Closed Basin Conveyance Channel of the Closed Basin Division, San Luis Project, Colorado as the Franklin Eddy Canal

Public Law 99-146 designates the Closed Basin Conveyance Channel as the Franklin Eddy Canal.

Measures Enacted Into Law.

Public Law 99-68 (H.R. 1373), Mr. Seiberling, et al.: An Act to designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness.

Public law 99-96 (S. 444), Mr. Murkowski and Mr. Stevens: An Act to amend the Alaska Native Claims Settlement Act.

Public Law 99-110 (H.J. Res. 299), Mr. Bustamante, et al.: An Act recognizing the accomplishments over the past 50 years resulting from the passage of the Historic Sites Act of 1935, one of this Nation's landmark preservation laws.

Public Law 99-187 (S. 1116), Mr. Warner; Mr. Hollings; Mr. Thurmond; Mr. Dodd; Mr. Metzenbaum and Mr. Kennedy: An Act to amend the Act of October 15, 1982, entitled "An Act to designate the Mary McLeod Bethune Council House in Washington, District of Columbia, as a national historic site, and for other purposes.

Public Law 99-192 (H.R. 3735), Mr. Holt, et al.: An Act to designate the pedestrian walkway crossing the Potomac River at Harpers Ferry National Historical Park as the "Goodloe E. Byron Memorial Pedestrian Walkway".

Public Law 99-200 (H.R. 3085), Mr. Lehman, of California, et al.: An Act to clear title to certain lands along the California-Nevada Boundary.

Public Law 99-215 (H.R. 3003), Mr. Hoyer, et al.: An Act to authorize the Secretary of the Interior to convey certain land located in the State of Maryland-National Capital Park and Planning Commission.

Public Law 99-235 (H.R. 2651), Mr. Young, of Alaska: An Act to amend section 504 of the Alaskan National Interest Lands Conservation Act to promote the development of mineral wealth in Alaska.

Public Law 99-250 (H.R. 1185), Mr. Udall: An Act to amend the Act establishing the Petrified Forest National Park.

Public Law 99-258 (H.R. 3851), Mr. Young, of Alaska: An Act to amend section 901 of the Alaska National Interest Lands Conservation Act.

Public Law 99-294 (H.R. 1116, Mr. Dorgan (S. 495 and S. 1765, Mr. Andrews and Mr. Burdick)): An act to implement certain recommendations made pursuant to Public Law 98-360.

Public Law 99-296 (S.J. Res 187), Mr. Warner and Mr. Trible: An Act to designate Patrick Henry's last home and burial place, known as Red Hill, in the Commonwealth of Virginia, as a National Memorial to Patrick Henry.

Public Law 99-300 (H.R. 4022), Mr. Breaux: An Act to direct release of restrictions, conditions, and limitations on the use or conveyance of certain real property located in Calcasieu Parish, Louisiana.

Public Law 99-343 (H.R. 1740), Mr. Nelson: An Act to direct the Secretary of the Interior to release a reversionary interest in certain lands in Orange County, Florida which was previously conveyed to Orange County, Florida.

Public Law 99-344 (H.R. 1795), Mr. Dowdy: An Act to amend certain lands in the State of Mississippi from a restriction set forth in the Act of April 21, 1806.

Public Law 99-358 (S. 1625), Mr. Laxalt and Mr. Hecht: An Act to authorize the conveyance of 470 acres in Nevada to the

University of Nevada for use as a research and development center.

Public Law 99-387 (H.R. 850), Ms. Vucanovich: An Act to modify the boundary of the Humboldt National Forest in the State of Nevada, and for other purposes.

Public Law 99-388 (H.R. 1963), Mr. Murtha: An Act to increase the development ceiling at Allegheny Portage Railroad National Historical Site and Johnstown Flood National Memorial in Pennsylvania, and for other purposes, and to provide for the preservation and interpretation of the Johnstown Flood Museum in the Cambridge County Library Building.

Public Law 99-389 (H.R. 3212), Ms. Vucanovich, et al.: An Act to declare that the United States holds certain lands in trust for the Reno Sparks Indian Colony.

Public Law 99-390 (H.R. 3556), Mr. Whitehurst: An Act to provide for the exchange of land for the Cape Henry Memorial site in Fore Story, VA.

Public Law 99-395 (H.R. 1343), Mr. Burton, of California: An Act to authorize the use of funds from rental of floating drydock and other marine equipment to support the National Maritime Museum in San Francisco, California, and for other purposes.

Public Law 99-402 (S. 1888), Mr. Bumpers; Mr. Bradley; Mr. Andrews; Mr. Ford; Mr. Durenberger; Mr. Rockefeller; Mr. Hecht; Mr. DeConcini; Mr. Danforth; Mr. Inouye; Mr. Grassley; Mr. Kerry; Mr. Eagleton; Mr. Bingaman; Mr. Pryor; Mr. Dixon; Mr. Evans; Mr. Murkowski; Mr. Domenici; Mr. Wallop and Mr. Nickles.: An Act to provide for a program of cleanup and maintenance on Federal public lands, national parks, recreation areas, and for other purposes.

Public Law 99-416 (H.R. 3443), Mr. Strang: An Act to designate the Closed Basin Conveyance Channel of the Closed Basin Division, San Luis Valley Project, Colorado, as the "Franklin Eddy Canal".

Public Law 99-420 (S. 720), Mr. Mitchell and Mr. Cohen: An Act to establish a permanent boundary for the Acadia National Park in the State of Maine, and for other purposes.

Public Law 99-427 (S. 1963), Mr. Domenici and Mr. Bingaman: An Act to direct the Secretary of the Interior to convey certain lands in Socorro County, NM, to the New Mexico Institute of Mining and Technology.

Public Law 99-445 (S. 1542), Mr. McClure (by request); Mr. Baucus; Mr. Melcher and Mr. Symms: An Act to amend the National Trails System Act by designating the Nez Perce (Nee-Me-Poo) Trail as a component of the National Trails System.

Public Law 99-450 (S. 1696), Mr. Goldwater; Mr. Simpson; Mr. Hecht; Mr. Wilson; Mr. Laxalt; Mr. Garn; Mr. Wallop; Mr. Hatch; Mr. Armstrong and Mr. Domenici: An Act to establish a federally declared Floodway for the Colorado River below Davis Dam.

Public Law 99-456 (S. 1766), Mr. Mathias; Mr. Sarbanes; Mr. Laxalt; Mr. Matsunaga; Mr. Danforth; Mr. Nunn; Mr. Lugar; Mr. Bentsen; Mr. Thurmond; Mr. Garn; Mr. Grassley; Mr. Goldwater; Mr. Chafee; Mr. Ford; Mr. Abdnor; Mr. Hollings; Mr. Levin; Mr. Gorton; Mr. Rockefeller; Mr. Evans; Mr. Exon; Mr. Hatch; Mr. Chiles and Mr. Specter: An Act to designate the Cumberland terminus of the Chesapeake and Ohio Canal National Historical Park in honor of J. Glenn Beall, Sr.

Public Law 99-495 (S. 426), Mr. Wallop; Mr. Simpson; Mr. Garn: Mr. Hecht; Mr. Goldwater; Mr. Heflin; Mr. Wilson; Mr. Laxalt; Mr. Cranston; Mr. Denton; Mr. Chafee; Mr. Murkowski; Mr. Dodd; Mr. Boschwitz; Mr. Symms; Mr. D'Amato; Mr. Pell; Mr. Stevens; Mr. Thurmond; Mr. Melcher; Mr. Kasten; Mr. East; Mr. Hawkins; Mr. Boren; Mr. Durenberger; Mr. Bumpers; Mr. Cochran; Mr. Helms; Mr. Nickles; Mr. Moynihan; Mr. Packwood; Mr. Johnston; Mr. Lugar and Mr. Hollings: An Act to amend the Federal Power Act to provide for more protection to electric consumers.

Public Law 99-497 (H.R. 2182), Mr. Shumway: An Act to validate conveyances of certain lands in the State of California that form part of the right-of-way granted by the United States to the Central Pacific Railway Company.

Public Law 99-504 (S. 816), Mr. Exon and Mr. Zorinsky: An Act to establish the Pine Ridge Wilderness and Soldier Creek Wilderness in Nebraska National Forest in the State of Nebraska, and for other purposes.

Public Law 99-507, (H.R. 4212), Mrs. Mikulski: An Act to provide for the reauthorization of the Deep Seabed Hard Mineral Resources Act, and for other purposes.

Public Law 99-511 (H.J. Res. 666), Mr. Leland, et al.: A resolution expressing the sense of the Congress in support of a commemorative structure within the National Park System dedicated to the promotion of understanding, knowledge, opportunity and equality for all people.

Public Law 99-515 (H.R. 1593), Mr. Stump, et al.: A bill to direct the Secretary of the Interior to release on behalf of the

United States certain restrictions in a previous conveyance of land to the town of Jerome, Arizona.

Public Law 99-517 (H.R. 3005, Mr. Marlene (S. 829, Mr. Melcher and Mr. Baucus)): A bill to direct the Secretary of the Interior to convey certain lands, withdrawn by the Bureau of Reclamation for townsite purposes, to the Huntley Project Irrigation District, Ballantine, Montana.

Public Law 99-522 (S. 2266), Mr. Wallop; Mr. Cranston; Mr. Hecht: Mr. Simpson; Mr. Symms; Mr. Hatch; Mr. Garn; Mr. Hart; Mr. Pressler; Mr. McClure; Mr. Baucus; Mr. Laxalt and Mr. Stevens: An Act to establish a ski area permit system on national forest lands established from the public domain, and for other purposes.

Public Law 99-530 (H.R. 2826) Mr. Hendon: An Act to amend the Wild and Scenic Rivers Act by designating a segment of the Horsepasture River in the State of North Carolina as a component of the Wild and Scenic Rivers System.

Public Law 99-531 (S. 2370) Mr. Murkowski; Mr. Moynihan; Mr. Pell; Mr. DeConcini; Mr. Goldwater; Mr. Zorinsky; Mr. Denton; Mr. Garn; Mr. Mathias and Mr. Stennis: An act to allow the Francis Scott Key Foundation, Inc. to erect a memorial in the District of Columbia.

Public Law 99-542 (H.R. 1390) Mr. Coelho: An Act to authorize additional long-term leases in the El Portal administrative site adjacent to Yosemite National Park, California, and for other purposes.

Public Law 99-543 (H.R. 2067) Mr. Shumway: An Act to validate conveyances of certain lands in the State of California that form part of the right-of-way granted by the United States to the Central Pacific Railway Company.

Public Law 99-545 (H.R. 2921) Mr. Strang: An Act to authorize the Secretary of Agriculture to issue permanent easements for water conveyance systems in order to resolve title claims arising under acts repealed by the Federal Lands Policy and Management Act of 1976, and for other purposes.

Public Law 99-546 (H.R. 3113 Mr. Miller (Ca.), Mr. Coelho, and Mr. Lehman (Ca.) (S. 1192, Mr. Wilson and Mr. Cranston)): An act to implement the Coordinated Operations Agreement, the Suisun Marsh Preservation Agreement, and to amend the Small Reclamation Projects Act of 1956, as amended, and for other pruposes.

Public Law 99-548 (H.R. 3352) Mr. Reid: An Act to transfer certain real property to the City of Mesquite, Nevada. (Received in the Senate.)

Public Law 99-558 (H.J. Res. 142) Mr. Johnson: A joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens.

Public Law 99-564 (S. 2320) Mr. Inouye and Mr. Matsunaga: An Act to amend an Act to add certain lands on the Island of Hawaii to Hawaii Volcanoes National Park, and for other purposes.

Public Law 99-565 (S. 2506) Mr. Hecht and Mr. Laxalt: An Act to establish a Great Basin National Park in the State of Nevada and for other purposes.

Public Law 99-572 (H.R. 2205) Mr. Nickles and Mr. Boren: An Act to eliminate certain restrictions on the use of natural gas and petroleum, and for other purposes.

Public Law 99-581 (H.R. 2776) Mr. Fauntroy: An Act to amend the District of Columbia Stadium Act of 1957 to direct the Secretary of the Interior to convey title to the Robert F. Kennedy Memorial Stadium to the District of Columbia.

Public Law 99-583 (H.R. 4037) Mr. Visclosky, et al.: An Act relating to the Indiana Dunes National Lakeshore, and for other purposes.

Public Law 99-587 (H.R. 5459) Mr. Hansen: An Act to direct the Secretary of the Interior to release, on behalf of the United States, certain conditions and reservations contained in a conveyance of land to the State of Utah.

Public Law 99-590 (H.R. 4350) Mr. Vento, et al.: An Act to amend the Wild and Scenic Rivers Act, and for other purposes.

Public Law 99-598 (H.R. 2484) Mr Berman, et al.: An Act to amend title 28, United States Code, to exempt States from the statute of limitations applicable to quiet title actions against the United States.

Public Law 99-600 (H.R. 5167) Mr. Richardson, et al.: An Act to declare that the United States holds certain public domain lands in trust for the Pueblo of Zia.

Public Law 99-606 (H.R. 1790) Mrs. Byron: An Act to withdraw certain public lands for military purposes and for other purposes.

Public Law 99-610 (H.J. Res. 36) Mrs. Oakar, et al.: An Act authorizing establishment of a memorial in the District of Columbia or its environs.

Public Law 99-620 (S.J. Res. 43) Mr. Thurmond; Mr. Warner; Mr. Trible; Mr. Hollings; Mr. Inouye; Mr. Nickles; Mr. Roth; Mr. Rockefeller and Mr. Levin: An Act to authorize the Armored Force Monument Committee, the U.S. Armor Association, the World Wars Tank Corps Association, the Veterans of the Battle of the Bulge, the 11th Armored Cavalry Regiment Association, the Tank Destroyer Association, the 1st, 2nd, 3rd, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th, and 16th Armored Division Associations, and the Council of Armored Division Associations, jointly to erect a memorial to "American Armored Force" on U.S. Government property in Arlington, Virginia, and for other purposes.

Public Law 99-632 (S. 565) Mr. DeConcini: An Act to direct the Secretary of Agriculture to convey, without consideration, to the town of Payson, AZ; approximately 31.14 acres of Forest Service lands.

Public Law 99-635 (S. 2351) Mr. Evans and Mr. Gorton: An Act to revise the boundaries of Olympic National Park and Olympic National Forest in the State of Washington, and for other purposes.

Public Law 99-645 (S. 740) Mr. Chafee; Mr. Stafford; Mr. Durenberger; Mr. Bentsen and Mr. Mitchell: An Act to extend until October 1, 1985, the authority for appropriations to promote the conservation of migratory waterfowl and to offset or prevent the serious loss of wetlands and other essential habitat, and for other purposes.

Public Law 99-647 (S. 1374) Mr. Chafee; Mr. Pell; Mr. Kennedy and Mr. Kerry: An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island.

Public Law 99-652 (H.R. 4378, Mr. Udall, et al. (S. 2522, Mr. Wallop; Mr. McClure; Mr. Hatfield; Mr. Johnston; Mr. Bumpers and Mr. Armstrong)): An Act to provide standards for placement of commemorative works on lands administered by the National Park Service in the District of Columbia, and for other purposes.

Public Law 99-655 (H.R. 5028) Mr. Lewis (Ca.): An Act entitled the Lower Colorado Water Supply Act.

Public Law 99-663 (H.R. 5705, Mr. Weaver, et al. (S. 2055, Mr. Evans; Mr. Packwood; Mr. Hatfield and Mr. Gorton)): An Act to protect and provide for the enhancement of the resources of Columbia River Gorge, and for other purposes.

Public Law 99-664 (H.R. 5730) Mr. Young, of AK: An Act to provide for a land exchange in the State of Alaska.

Related Public Laws

Public Law 99-184 (H.J. Res. 941), a joint resolution making further continuing appropriations for fiscal year 1986, incorporated provisions similar to S. 686 (Mr. McClure and Mr. Symms) to provide for the relief of water users deprived of winter stock water on Willow Creek, Idaho, below the Ririe Dam and Reservoir.

Public Law 99-272 (H. R. 3128), Title VII - Energy and related programs, Consolicated Omnibus Budget Reconciliation Act of 1985.

Public Law 99-349 (H.R. 4515), Urgent Supplemental Appropriations Act, 1986, incorporated provisions similar to S. 2328 (Mr. Evans, et al.), a bill to prohibit for a 10-year period the transfer or sale of Federal Power Marketing Administrations or the Tennessee Valley Authority, and for other purposes.

Public Law 99-500 (H. J. Res. 738), a joint resolution making continuing appropriations for the fiscal year 1987, and for other purposes, incorporated provisions similar to:

-- S. 1157 (Mr. McClure by request), to authorize the Secretary of the Interior to perform studies relating to disposal of drain water and to construct interim corrective measures deemed necessary for the San Luis interceptor drain; and

-- S. 1704 (Mr., McClure (by request), Mr. Exon and Mr. Zorinsky) to authorize an increase in the appropriation ceiling for the North Loup Division, Pick-Sloan Missouri Basin Program, Nebraska.

Public Law 99-509 (H. R. 5300), Title III - Energy and environmental programs, Omnibus Budget Reconciliation Act of 1986.

Public Law 99-662 (H.R. 6) an act to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure, incorporated provisions similar to S. 1131 (Mr. Abdnor and Mr. Pressler), to authorize the Secretary of the Interior to integrate the Hilltop and Gray Goose Units into the Pick-Sloan Missouri Basin Program, South Dakota.

Other Measures Actively Considered.

S. 230, Mr. Burdick and Mr. Andrews: A bill for the relief of the City of Dickinson, North Dakota. (Hearings held.) (Reported to the Senate with an amendment in the nature of a substitute. S. Rept. 99-495)(Senate Calendar No. 1005).

S. 252, Mr. Abdnor and Mr. Pressler: A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Lake Andes-Wagner Unit, SD, Pumping Division, Pick-Sloan Missouri Basin Program, South Dakota. (Hearings held. S. Hrg. 99-571)

S. 304, Mr. Domenici; Mr. Bingaman: A bill to provide for the transfer of certain interests in lands in Socorro County, NM, to the New Mexico Institute of Mining and Technology, Socorro NM. (Hearings held. S. Hrg. 99-600 (part 1)

S. 360, Mr. Zorinsky; Mr. Exon: A bill to direct the Secretary of Agriculture to convey, without consideration, to the Nebraska Game and Parks Commission, approximately 160 acres of land within the Nebraska National Forest to be used for the purposes of expanding the Chadron State Park, Nebraska. (Hearings held. S. Hrg. 99-600 (part 1)) (Reported to the Senate with an amendment in the nature of a substitute. S. Rept. 99-235) (Passed Senate, amended.)

S. 372, Mr. Johnston: A bill to amend the Mineral Lands Leasing Act of 1920, and for other purposes. (Hearings held. S. Hrg. 99-417).

S. 403, Mr. Johnston: A bill to amend the Federal Power Act to establish policy and procedures to guide the Federal Energy Regulatory Commission in the issuance of new licenses to operate existing hydroelectric facilities. (Hearings held. S. Hrg. 99-236) (See Public Law 99-495)

S. 446, Mr. Domenici: A bill to provide for the transfer of certain interests in lands in Dona Ana County, New Mexico, to New Mexico State University, Las Cruces, New Mexico. (Hearings held. S. Hrg. 99-600 (part 1))

S. 485, Mr. Murkowski and Mr. Stevens: A bill to amend the Alaska National Interest Lands Conservation Act of 1980 to clarify the treatment of submerged lands and ownership by the Alaskan Native Cooperation. (Hearings held.) (Reported to the Senate with an amendment in the nature of a substitute.) (Passed the Senate.)

S. 488, Mr. Goldwater; Mr. DeConcini: A bill to amend the act establishing the Petrified Forest National Park. (Hearings held. S. Hrg. 99-73)

S. 530, Mr. Cranston and Mr. Wilson: A bill to authorize the use of funds from rental of floating drydock and other marine equipment to support the National Maritime Museum in San Francisco, CA. (Hearings held. S. Hrg. 99-532 (part 2))

S. 543, Mr. Cranston and Mr. Wilson: A bill to designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness. (Hearings held. S. Hrg. 99-73)

S. 565, Mr. DeConcini: A bill to direct the Secretary of Agriculture to convey, without consideration, to the town of Payson, AZ; approximately 31.14 acres of Forest Service lands. (Hearings held. S. Hrg. 99-600 (part 1)) (Reported to the Senate with an amendment in the nature of a substitute and an amendment to the title. S. Rept. 99-900.) (Passed the Senate, amended.) (Paseed the House, amended.) (House agreed to the Senate amendment to the House amendment.)

S. 567, Mr. DeConcini: A bill to convey Forest Service land to Flagstaff, AZ. (Hearings held. S. Hrg. 99-600 (part 1))

S. 570, Mr. Wallop; Mr. Simpson and Mr. Hatch: A bill to amend the Minerals Lands Leasing Act of 1920 to improve the administration of the Federal coal leasing program, and for other purposes. (Hearings held. S. Hrg. 99-417)

S. 595, Mr. McClure: A bill to provide for the relief for certain desert land entrymen in Idaho. (Full committee business meeting.) (Reported to the Senate, without amendment. S. Rept. 99-231) (Indefinitely postponed.) (See P.L. 99-590)

S. 686, Mr. McClure and Mr. Symms: A bill to provide for the relief of water users deprived of winter stock on Willow Creek, Idaho, below the Ririe Dam and Reservoir. (Full Committee business meeting.) (Reported to the Senate without amendment. S. Rept. 99-197) (Included amendment in H.J. Res. 491)(Public Law 99-184) (Indefinitely postponed.)

S. 722, Mr. Laxalt and Mr. Hecht: A bill to designate certain national forest systems lands in the State of Nevada for inclusion in the National Wilderness Preservation System, and for other purposes. (Field hearings held by subcommittee.)

S. 767, Mr. Bumpers: A bill to direct the Secretary of the Interior to permit access across certain Federal lands in the State of Arkansas, and for other purposes. (Hearings held.) (Reported to the Senate without amendment.)

S. 811, Mr. Garn; Mr. Hatch: A bill to clarify the treatment of mineral materials on public lands. (Ordered reported, full Committee business meeting. S. Rept. 99-121) (Passed Senate)

S. 913, Mr. Ford: A bill to amend the Mineral Lands Leasing Act of 1920 to improve the administration of the Federal coal leasing program, and for other purposes. (Hearings held. S. Hrg. 99-417)

S. 946, Mr. Ford: A bill to amend the Federal Coal Leasing Amendments Act of 1976, and for other purposes. (Hearings held. S. Hrg. 99-417)

S. 953, Mr. Evans and Mr. Gorton: A bill to validate contractual relationships between the United States and various non-Federal entities. (Full Committee business meeting.) (Reported to the Senate with an amendment. S. Rept. 99-87) (Passed Senate amended.) (Reported to the House with an amendment by the House Committee on Interior and Insular Affairs. H. Rept. 99-662 (part 1)) (Included as an amendment in H.R. 3113 (See Public Law 99-546)).

S. 977, Mr. Dixon and Mr. Simon: A bill to establish the Hennepin Canal National Heritage Corridor in the State of Illinois, and for other purposes. (Hearings held.) (Reported to the Senate with an amendment in the nature of a substitute. S. Rept. 99-453) (Passed Senate, amended.)

S. 1019, Mr. Proxmire and Mr. Kasten: A bill to authorize the inclusion of certain additional lands within the Apostle Islands National Lakeshore. (Hearings held.) (Full Committee business meeting; H.R. 2182 ordered reported in lieu of S. 1019)

S. 1021, Mr. Cochran: A bill to exempt certain lands in the State of Mississippi from a restriction set forth in the Act of April 21, 1806. (Hearings held S. Hg. 99-600 (part 2))

S. 1026, Mr. Pressler; Mr. Durenberger; Mr. Matsunaga; Mr. Domenici; Mr. Nickles; Mr. Stevens; Mr. Bentsen; Mr. Warner; Mr. Murkowski; Mr. Dixon; Mr. Simon; Mr. Gramm; Mr. Bingaman and Mr. Abdnor: A bill to direct the cooperation of certain Federal entities in the implementation of the Continental Scientific Drilling Program. (Hearings held.) (Reported to the Senate without amendment. S. Rept. 99-456) (Passed Senate.)

S. 1107, Mr. Nunn; Mr. Pell; Mrs. Hawkins; Mr. Chafee; Mr. Chiles: A bill to authorize the Society of the Third Infantry Division to erect a memorial in the District of Columbia or its environs. (Hearings held. S. Hrg. 99-424)

S. 1131, Mr. Abdnor and Mr. Pressler: A bil to authorize the Secretary of the Interior to integrate the Hilltop and Gray Goose Units into the Pick-Sloan Missouri Basin Program, South Dakota. (Hearings held. S. Hrg. 99-258) (Similar authority included in H.R. 6 (See P.L. 99-662)).

S. 1149, Mr. Bumpers and Mr. Pryor: A bill to amend the Federal Power Act to allow State Commissions to determine whether to exclude all or part of a rate set by the Federal Energy

Regulatory Commission based on construction cost. (Hearings held.) (Full Committee business meeting.)

S. 1157, Mr. McClure (by request): A bill to authorize the Secretary of the Interior to perform studies relating to disposal of drain water and to construct interim corrective measures deemed necessary for San Luis interceptor drain. (Hearings held. S. Hrg. 99-258) (Similar authority included in H.J. Res. 738.) (See P.L. 99-546)).

S. 1171, Mr. McClure; Mr. Wilson; Mr. Cranston; Mr. DeConcini; Mr. Abdnor; Mr. Goldwater; Mr. Hart; Mr. Melcher and Mr. Armstrong: A bill to amend the Small Reclamation Projects Act of 1956, as amended. (Hearings held. S. Hrg. 99-258) (See Public Law 99-546)

S. 1208, Mr. Mathias; Mr. Sarbanes: A bill to authorize the Secretary of the Interior to convey certain land located in the State of Maryland National Capitol Park and Planning Commission. (Hearings held. S. Hrg. 99-264)

S. 1219, Mr. Metzenbaum: A bill to amend the Federal Power Act to ensure fair competition in the licensing of existing hydroelectric projects and, in doing so, to maintain and enhance diversity within the electric utility industry, thereby ensuring the maximum development and utilization of the Nation's public resources for the benefit of all electric consumers, and for other purposes. (Hearings held. S. Hrg. 99-236) (See Public Law 99-495)

S. 1223, Mr. Armstrong; Mr. Bingaman; Mr. Boschwitz; Mr. Inouye; Mr. Levin; Mr. Matsunaga; Mr. Pell; Mr. Pressler; Mr. Rockefeller; Mr. Rudman; Mr. Stafford; Mr. Abdnor; Mr. Chafee; Mr. Johnston; Mr. Sasser; Mr. Ford; Mrs. Hawkins; Mr. Heinz; Mr. Cochran; Mr. Mattingly; Mr. Gramm; Mr. Bradley; Mr. Heflin; Mr. Nickles; Mr. Grassley; Mr. East; Mr. Durenberger; Mr. Roth; Mr. Moynihan; Mr. Zorinsky; Mr. Chiles; Mr. Andrews; Mr. Mitchell; Mr. Glenn; Mr. Kennedy; Mr. Hecht; Mr. Biden; Mr. Exon; Mr. Hollings; Mr. Kerry; Mr. Quayle; Mr. Gore; Mr. Leahy; Mr. Murkowski; Mr. Domenici; Mr. Simon; Mr. Nunn; Mr. Laxalt; Mr. Warner; Mr. Dole; Mr. Gorton: A bill to authorize the erection of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces of the United States who served in the Korean War. (Hearings held. S. Hrg. 99-424)

S. 1260, Mr. Evans: A bill entitled the "Hydroelectric Relicensing Reform Act". (Hearings held. S. Hrg. 99-236) (See Public Law 99-495)

S. 1319, Mr. Laxalt and Mr. Hecht: A bill to relieve the Washoe County Water Conservation District, Nevada, of certain Federal repayment obligations. (Hearings held. S. Hrg. 99-607.) (Committee ordered bill reported with an amendment. S. Rept. 99-381.) (Placed on Senate Legislative Calendar under General Orders. Calendar No. 795.)

S. 1322, Mr. Hecht; Mr. Murkowski; Mr. Evans; Mr. McClure; Mr. Laxalt; Mr. Matsunaga; Mr. Stevens; Mr. Hatch; Mr. Hatfield; Mr. Garn; Mr. Nickles; Mr. Symms; Mr. Wilson; Mr. Inouye, Mr. Packwood and Mr. Gorton: A bill to amend the Geothermal Steam Act of 1970. (Hearings held. S. Hrg. 99-666)

S. 1330, Mr. Murkowski and Mr. Stevens: A bill to amend section 504 of the Alaska National Interest Lands Conservation Act to allow expanded mineral exploration of the Admiralty Island National Monument in Alaska. (Hearings held.)

S. 1379, Mr. McClure: A bill to authorize the erection of a monument given to the American people as a gift of the Kingdom of Morocco, on public grounds in the District of Columbia. (Hearings held. S. Hrg. 99-424)

S. 1471, Mr. Pressler and Mr. Abdnor: A bill to authorize the Lyman-Jones and West Rural Development Projects. (Hearings held.).

S. 1596, Mr. Warner; Mr. Weicker; Mr. Matsunaga: A bill to amend the District of Columbia Stadium Act of 1957 to direct the Secretary of the Interior to convey title to the Robert F. Kennedy Memorial Stadium to the District of Columbia. (Hearings held. S. Hrg. 99-361)

S. 1617, Mr. Wallop; Mr. Andrews; Mr. Abdnor; Mr. Simpson; Mr. Laxalt; Mr. Burdick; Mr. Melcher; Mr. Stevens and Mr. Hecht: A bill to provide for more effective management of lands of the United States which are subject to conflicting claims or deposits, and to require the Secretary of the Interior to report annually thereon. (Hearings held. (S. Hrg. 99-600 (part 2)) (Reported to the Senate with an amendment in the nature of a substitute and an amendment to the title. S. Rept. 99-508) (See companion bill H.R. 2484)

S. 1638, Mr. Goldwater: A bill to direct the Secretary of the Interior to release on behalf of the United States certain restrictions in a previous conveyance of land to the town of Jerome, Arizona. (Hearings held. S. Hrg. 99-600 (part 2) (See companion bill H.R. 1593.)

S. 1690, Mr. Domenici: A bill to provide for the transfer of certain interests in lands in Dona Ana County, N.M. to Dona Ana

County, N.M. for the use as a fairground. (Hearings held. S. Hrg. 99-600 (part 1 and 2))

S. 1772, Mr. Hecht and Mr. Laxalt: A bill to authorize and direct the Secretary of the Interior to convey certain real property to the Pershing County Water Conservation District. (Hearings held. S. Hrg. 99-607.) (Committee ordered bill reported with an amendment. S. Rept. 99-383.) (Placed on Senate Legislative Calendar under General Orders. Calendar No. 797.)

S. 1803, Mr. Packwood: A bill to amend the Garrison Diversion Project. (Hearings held.)

S. 1819, Mr. Armstrong and Mr. Hart: A bill to amend the Wild and Scenic Rivers Act to designate certain segments of the Cache la Poudre River and the South Fork of the Cache la Poudre River in Colorado as a component of the National Wild and Scenic River System. (Hearings held. S. Hrg. 99-532 (part 2)) (Reported to the Senate with amendments. S. Rept. 99-354) (See companion bill H.R. 4350)

S. 1911, Mr. Garn and Mr. Hatch: A bill to direct the Administrator of General Services to release, on behalf of the United States, certain conditions and reservations contained in a conveyance of land to the State of Utah. (Hearings held. S. Hrg. 99-600 (part 2)) (Reported to the Senate with amendments.)

S. 1946, Mr. Weicker and Mr. Dodd: A bill to designate the West Branch of the Farmington River as a study area for inclusion in the National Wild and Scenic Rivers Systems, and for other purposes. (Hearings held.) (Reported to the Senate with an amendment in the nature of a substitute. S. Rept. 99-357)

S. 2029, Mr. Chiles and Mrs. Hawkins: A bill to establish the Big Cypress National Preserve Addition in the State of Florida and for other purposes. (Hearings held.)

S. 2065, Mr. Murkowski and Mr. Stevens: A bill to amend the Alaska Native Claims Settlement Act to provide Alaska Natives with certain options for the continued ownership of lands and corporate shares pursuant to the Act and for other purposes. (Hearings held.) (Full Committee business meeting.)

S. 2091, Mr. Hatfield: A bill to amend the provisions of the Federal Land Policy and Management Act of 1976 relating to the acquisition of public lands. (Hearings held. S. Hrg. 99-600 (part 2)) (Reported to the Senate without amendment. S. Rept. 99-358) (Passed Senate.) (Passed the House, amended.) (Senate concurred in the amendment of the House.) (By unanimous consent, action taken on S. 2091 was vitiated and the bill remained at the desk.)

S. 2130, Mr. Durenberger, Mr. Chafee, Mr. Moynihan, Mr.Kasten; Mr. Baucus; Mr. Hatfield and Mr. Boschwitz: A bill to preserve, protect, and revitalize the National Park System. (Hearings held. S. Hrg. 99-817)

S. 2159, Mr. Wilson and Mr. Cranston: A bill to designate the Big Sur National Forest Scenic Area. (Hearings held.)

S. 2194, Mr. Laxalt and Mr. Hecht: A bill to authorize the conveyance of 40 acres in Nevada to the Catholic Diocese of Reno/Las Vegas. (Hearings held.)

S. 2204, Mr. McClure (by request) and Mr. Lugar: A bill to amend the Land and Water Conservation Fund Act of 1965, as amended, to permit the use of park entrance, admission and recreation use fees for the operation of the National Park System, and for other purposes. (Hearings held. S. Hrg. 99-817) (Reported to the Senate with an amendment in the nature of a substitute. S. Rept. 99-509)

S. 2265, Mr. Garn and Mr. Hatch: A bill to authorize the establishment of the Burr Trail National Rural Scenic Road in the State of Utah, and for other purposes. (Hearings held.)

S. 2287, Mr. Bradley and Mr. Lautenberg: A bill to amend the Wild and Scenic Rivers Act to designate a certain portion of the Great Egg Harbor River in the State of New Jersey for potential addition to the Wild and Scenic Rivers System. (Hearings held.) (Reported to the Senate with amendments. S. Rept. 99-417) (Indefinitely postponed.) (See H. R. 4350)

S. 2384, Mr. Rockefeller and Mr. Byrd: A bill to amend Public Law 95-625 to permit the acquisition of certain lands for an administrative site for the New River Gorge National River, WV. (Hearings held.) (Reported to the Senate with an amendment. S. Rept. 99-454) (See H.R. 4350)

S. 2412, Mr. McClure; Mr. Wallop; Mr. Goldwater; Mr. Hecht and Mr. Laxalt: A bill to withdraw and reserve certain public lands. (Hearings held.) (Reported to the Senate with amendments. S. Rept. 99-514) (Passed Senate.)

S. 2439, Mr. Bumpers and Mr. Bradley: A bill to amend the Act of February 25, 1920, to provide for competitive leasing of oil and gas for onshore Federal lands and for other purposes. (Full Ccommittee business meeting held.) (Reported to the Senate with an amendment in the nature of a substitute.)

S. 2442, Mr. DeConcini and Mr. Goldwater: A bill to establish the San Pedro Riparian National Conservation Area in Cochise County, AZ, in order to assure the protection of the riparian, wildlife, archaeological, paleontological, scientific, cultural, educational, and recreational resources of the conservation area, and for other purposes. (Hearings held.)

S. 2466, Mr. Johnston: A bill to designate a segment of the Saline Bayou in Lousiana as a component of the National Wild and Scenic Rivers System. (Hearings held.) (Reported to the Senate with amendments. S. Rept. 99-419) (Indefinitely postponed.) (See H.R. 4350.)

S. 2483, Mr. Moynihan and Mr. D'Amato: A bill to amend the Fire Island National Seashore Act of 1964. (Hearings held.) (Reported to the Senate without amendment. S. Rept. 99-498)

S. 2519, Mr. Evans and Mr. Gorton: A bill to authorize certain elements of the Yakima River Basin Water Enhancement Project, and for other purposes. (Hearings held.)

S. 2532, Mr. Cochran and Mr. Stennis: A bill to amend the Wild and Scenic River Act by designating a segment of the Black Creek in Mississippi as a component of the National Wild and Scenic Rivers System. (Hearings held.) (Reported to the Senate with amendments. S. Rept. 99-420) (Indefinitely postponed.)(See H. R. 4350)

S. 2534, Mr. Thurmond and Mr. Hollings: A bill to authorize the acquisition and development of a mainland tour boat facility for the Fort Sumter National Monument, South Carolina, and for other purposes. (Hearings held.) (Reported to the Senate with amendments. S. Rept. 99-476) (Passed Senate, amended.) (Passed House, amended.) (Senate concurred in the amendment of the House.)

S. 2599, Mr. Domenici and Mr. Bingaman: A bill to declare that the United States holds certain public domain lands in trust for the Pueblo of Zia. (Hearings held.)

S. 2635, Mr. McClure and Mr. Symms: A bill to protect the integrity and quality of certain reaches of the Henry's Fork of the Snake River, Idaho, and for other purposes. (Hearings held. S. Hrg. 99-930.) (Committee ordered bill reported with amendments. S. Rept. 99-413.) (Placed on Senate legislative Calendar under General Orders. Calendar No. 862.) (Incorporated in S. 426. P.L. 99-495.)

S. 2676, Mr. Wilson and Mr. Cranston: A bill to provide for the settlement of water rights claims of the La Jolla, Rincon, San Pasqual, Puama, and Pala Bands of Mission Indians in San Diego County, CA, and for other purposes. (Joint hearing held by full Committee and Select Committee on Indian Affairs.) (Reported to the Senate with an amendment in the nature of a substitute and referred to the Committee on Energy and Natural Resources for a period not to exceed 15 calendar days. S. Rept. 99-485) (Discharged from the Committee.)

S. 2698, Mr. Laxalt and Mr. Hecht: A bill to transfer certain public lands in Nevada to the Toiyabe, Humboldt, and Inyo National Forests. (Hearings held.)

S. 2707, Mr. Broyhill: A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Horsepasture River in the State of North Carolina as a component of the National Wild and Scenic Rivers System. (Hearings held.)

S. 2758, Mrs. Hawkins; Mr. Laxalt and Mr. Hecht: A bill to authorize the exchange of certain lands in the States of Nevada and Florida. (Hearings held.)

S. 2812, Mr. Quayle and Mr. Lugar: A bill relating to the Indiana Dunes National Lakeshore, and for other purposes. (Hearings held.)

S.J. Res. 43, Mr. Thurmond; Mr. Warner; Mr. Trible; Mr. Hollings; Mr. Inouye; Mr. Nickles; Mr. Roth; Mr. Rockefeller; Mr. Levin: A bill to authorize the Armored Force Monument Committee, the U.S. Armor Association, the World Wars Tank Corps Association, the Veterans of the Battle of the Bulge, the 11th Armored Cavalry Regiment Association, the Tank Destroyer Association, the 1st, 2nd, 3rd, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th, and 16th Armored Division Associations, and the Council of Armored Division Associations, jointly to erect a memorial to "American Armored Force" on U.S. Government property in Arlington, Virginia, and for other purposes. (Full committee business meeting.) (Reported to the Senate. S. Rept. 99-127)

S.J. Res. 143, Mr. Gore; Mr. Boschwitz; Mr. Burdick; Mr. Danforth; Mr. Lugar; Mr. Danforth; Mr. Hollings; Mr. Inouye; Mr. Chiles; Mr. Levin; Mr. Hatch; Mr. Sarbanes; Mr. Riegle; Mr. Melcher; Mr. Murkowski; Mr. Rockefeller; Mr. Andrews; Mr. Nickles; Mr. Mathias; Mr. Heinz; Mr. Garn; Mr. Hatch; Mr. Metzenbaum; Mr. Grassley: A bill to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens. (Hearings held. S. Hrg. 99-424) (See H.J. Res. 142.)

S.J. Res. 156, Mr. Murkowski; Mr. Cranston; Mr. Stafford; Mr. Spector; Mr. Boschwitz; Mr. Matsunaga; Mr. DeConcini; Mr. Mitchell; Mr. Rockefeller; Mr. Abdnor; Mrs. Hawkins; Mr. Chafee; Mr. Cohen; Mr. D'Amato; Mr. Evans; Mr. Garn; Mr. Gramm; Mr. Laxalt; Mr. Lugar; Mr. Nickles; Mr. Packwood; Mr. Symms; Mr. Wallop; Mr. Wilson; Mr. Bradley; Mr. Bumpers; Mr. Chiles; Mr.

Dixon; Mr. Ford; Mr. Gore; Mr. Hart; Mr. Inouye; Mr. Kennedy; Mr. Lautenberg; Mr. Leahy; Mr. Levin; Mr. Metzenbaum; Mr. Moynihan; Mr. Pell; Mr. Proxmire; Mr. Riegle; Mr. Sasser; Mr. Simon; Mr. Hecht; Mr. Simpson; Mr. Thurmond; Mr. Hollings; Mr. Denton; Mr. Andrews; Mr. Kerry; Mr. Dole; Mr. Boren; Mr. Pressler; Mr. Cochran; Mr. Warner; Mr. Mattingly; Mr. Quayle; Mr. Glenn; Mr. Durenberger: A bill authorizing a memorial to be erected in the District of Columbia or its environs. (Hearings held. S. Hrg. 99-424) (See H.R. 4350)

S.J. Res. 184, Mr. Denton; Mr. Nickles; Mr. Mattingly; Mr. Cochran: Mr. Inouye; Mr. Andrews; Mr. Boren; Mr. Heflin; Mr. Hollings; Mr. East; Mr. Thurmond and Mr. Wilson: A bill to authorize the Korean War Memorial, Inc. to erect a memorial in the District of Columbia or its environs. (Hearings held. S. Hrg. 99-424) (See Public Law 99-572)

S.J. Res. 221, Mr. Cranston and Mr. Wilson: A bill to authorize the continued use of certain lands within the Sequoia National Park by portions of an existing hydroelectric project. (Hearings held. S. Hrg. 99-532 (part 2))

H.R. 105, Mr. Foglietta: A bill to provide for the inclusion of the Washington Square area within Independence National Park, and for other purposes. (Hearings held. S. Hrg. 99-532 (part 2))

H.R. 934, Mr. Seiberling, et al.: A bill to provide certain authority to reduce erosion within the Cuyahoga Valley National Recreation Area, and for other purposes. (Hearings held. S. Hrg. 99-532 (part 2)) (Reported to the Senate without amendment. S. Rept. 99-360)

H.R. 2776, Mr. Fauntroy: A bill to amend the District of Columbia Stadium Act of 1957 to direct the Secretary of the Interior to convey title to the Robert F. Kennedy Memorial Stadium to the District of Columbia. (Hearings held. S. Hrg. 99-361) (Reported to the Senate. S. Rept. 99-185.) (Placed on Senate Legislative Calendar under General Orders. Calendar No. 415.)

H.R. 4090, Mr. Lewis, et al.: A bill to establish the Big Cypress National Preserve Addition in the State of Florida, and for other purposes. (Hearings held.)

H.R. 4811, Mr. Kolbe: An Act to establish the San Pedro Riparian Nationan Conservation Area in Cochise County, Arizona, in order to assure the protection of the riparian, wildlife, archeological, paleontological

H.R. 5028, Mr. Lewis of California, et al.: A bill entitled "The Lower Colorado Water Supply Act". (Hearings held.) (Reported to the Senate with amendments. S. Hrg. 99-496) (Passed Senate.)

TERRITORIES

OVERSIGHT

During the 99th Congress the full Committee, under the chairmanship of Senator James A. McClure of Idaho, conducted an oversight hearing on Micronesian Status.

LEGISLATIVE ACTIVITIES

During the 99th Congress, one Senate bill, three Senate Joint Resolutions, and two House bill concerning territorial affairs were referred to the full Committee.

The full committee held three days of legislative hearings on the following matters:

-- Guam Organic Act (S. 1441);

-- Northern Mariana Islands financial assistance (S. J. Res. 192);

-- Compact of Free Association between the U. S. and Palau (S.J.Res. 325);

-- Revised Organic Act of the Virgin Island, Covenant to establish a Commonwealth of the Northern Mariana Islands, Organic Act of Guam, and governance of the insular areas of the United States (H.R. 2478); and

-- Amendment enacted by the legislation of the State of Hawaii to the Hawaiian Homes Commission Act, 1920 (H.J.Res. 17).

Four public laws were enacted including approval of the Compact of Free Association between the United States, the Marshall Islands, and the Federated States of Micronesia (P.L. 99-239) and approval of the Compact of Free Association between the United States and the Government of Palau (P.L. 99-658). Also enacted was omnibus territories legislation (P.L. 99-396) which contained provisions affecting American Samoa, Guam, the Northern Mariana Islands, Trust Territory of the Pacific Islands, Puerto Rico, and the Virgin Islands.

Measures Enacted Into Law

Public Law 99-239 (H.J. Res. 187, Mr. Fascell, et al. (S.J. Res. 77, Mr. McClure)): An Act to approve the "Compact of Free Association", and for other purposes.

Public Law 99-396 (H.R. 2478) Mr. DeLugo: An Act to amend the Revised Organic Act of the Virgin Islands, to amend the Covenant to Establish a Commonwealth of the Northern Mariana Islands, to amend the Organic Act of Guam, to provide for the goverance of the insular areas of the United States, and for other purposes.

Public Law 99-557 (H.J. Res. 17) Mr. Akaka, et al.: A resolution to consent to an amendment enacted by the legislation of the State of Hawaii to the Hawaian Homes Commission Act, 1920.

Public Law 99-658 (H.J. Res. 626) Mr. Seiberling, et al. (S. J. Res. 325 and S. Con. Res. 171, Mr. McClure): An Act to approve the "Compact of Free Association" between the United States and the Government of Palau, and for other purposes.

Other Measures Actively Considered.

S. 1441, Mr. McClure: A bill to amend the Guam Organic Act, and for other purposes. (Hearing held. S. Hrg. 99-515)

S.J. Res. 192, Mr. McClure (by request): A joint resolution to authorize financial assistance for the Northern Mariana Islands, and for other purposes. (Hearing held S. Hrg. 99-515) (Reported to the Senate with an amendment in the nature of a substitute, and an amendment to the title. S. Rept. 99-262)

S. J. Res. 325, Mr. McClure (by request): A joint resolution to approve the "Compact of Free Association" between the United States and the Government of Palau, and for other purposes. (Hearings held S. Hrg. 99-794) (Reported to the Senate with an amendment in the nature of a substitute and with a preamble. S. Rept. 99-403)

H. R. 4878, Mr. Seiberling, et al.: A bill to require the Secretary of the Interior to submit to the House Interior and Insular Affairs Committee and the Senate Energy and Natural Resources Committee certain information regarding Micronesian govenments. (Full committee business metting held.)

REPORT TO THE SENATE

ON THE ACTIVITIES

# of the

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

for the

NINETY-NINTH CONGRESS

December 1986

Committee on Environment and Public Works

Robert T. Stafford, Vermont
Chairman

John H. Chafee, Rhode Island
Alan K. Simpson, Wyoming
James Abdnor, South Dakota
Steven D. Symms, Idaho
Gordon J. Humphrey, New Hampshire
Pete V. Domenici, New Mexico
Dave Durenberger, Minnesota

Lloyd Bentsen, Texas
Quentin N. Burdick, North Dakota
Gary Hart, Colorado
Daniel Patrick Moynihan, New York
Geroge J. Mitchell, Maine
Max Baucus, Montana
Frank R. Lautenberg, New Jersey

Bailey Guard, Staff Director
Katherine Cudlipp, Chief Counsel
Lee O. Fuller, Minority Staff Director
Phil Cummings, Minority Counsel

Subcommittees During the 99th Congress

Environmental Pollution

John H. Chafee, Chairman

Alan K. Simpson
Steven D. Symms
Dave Durenberger
Gordon J. Humphrey

George J. Mitchell
Gary Hart
Daniel Patrick Moynihan
Frank R. Lautenberg

Nuclear Regulation

Alan K. Simpson, Chairman

Pete V. Domenici
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Regional and Community Development

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Frank R. Lautenberg
Quentin N. Burdick

Toxic Substances and Environmental Oversight

Dave Durenberger, Chairman

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James Abdnor
Gordon J. Humphrey

Max Baucus
Quentin Burdick
Gary Hart

Transportation

Steven D. Symms, Chairman

John H. Chafee
James Abdnor
Robert T. Stafford

Quentin N. Burdick
George J. Mitchell
Lloyd Bentsen

Water Resources

James Abdnor, Chairman

Pete V. Domenici	Daniel Patrick Moynihan
Dave Durenberger	Max Baucus

CONTENTS

Introduction........6
Jurisdiction........8
Full Committee Activities........9
  Superfund........9
  Clean Air and Acid Rain........12
  Public Buildings........12
  Nominations........14
  Budget Review........15
  Business Meetings of the Committee........16
  Hearings........20
Subcommittee on Environmental Pollution........25
  Clean Water Act........25
  Oil Spill Liability........26
  Wildlife........27
  Other Issues........28
  Hearings........28
  Business Meetings........30
Subcommittee on Nuclear Regulation........31
  Summary........31
  Low-Level Radioactive Waste........32
  Price-Anderson Act........33
  NRC Authorizations........34
  Hearings........35
  Business Meetings........36
Subcommittee on Transportation........37
  Hearings........38
Subcommittee on Water Resources........39
  Omnibus Legislation........39
  Other Issues........40
  Hearings........40
Subcommittee on Toxic Substances and Environmental Oversight42
  Safe Drinking Water Act........42
  Asbestos-in-Schools........43
  Other Issues........43
  Hearings........44
  Business Meetings........45
Subcommittee on Regional and Community Development........46
  Disaster Relief........46
  Hearings........47

INTRODUCTION

The Committee on Environment and Public Works had an especially active and successful legislative and oversight program during the 99th Congress. During 1985 and 1986 the President signed several major environmental bills including:

> The Superfund Amendments and Reauthorization Act of 1986 (P.L. 99-499) providing a five-year, $8.5 billion extension of the Nation's principal hazardous waste cleanup law. The new Superfund program will include health assessments at every site on the National Priorities List, cleanup standards, and a schedule for cleanup activities that will assure continued progress in removing hazardous substances from the environment. The new act also includes community right-to-know requirements, a program to cleanup leaking underground storage tanks, and authorizes a program of research on indoor air pollution.
>
> The Safe Drinking Water Act Amendments of 1986 (P.L. 99-339), legislation that requires EPA to establish health-based, drinking water standards for 83 contaminants known to occur in the Nation's drinking water supplies. The 1986 amendments also include new measures to prevent ground water contamination.
>
> The Water Resources Development Act (P.L. 99-662), a bill authorizing $15.3 billion in new flood control, navigation, erosion control and other water resource projects to be constructed by the Corps of Engineers. As a result of this legislation Federal water policy is significantly modified to require for the first time that costs of water resource projects be shared with local governments and other beneficiaries.
>
> The Asbestos Hazard Emergency Response Act of 1986 (P.L. 99-519), legislation establishing a program to identify and remove hazardous asbestos materials found in the Nation's schools. The bill also requires that contractors carrying out asbestos abatement activities be trained and certified.

In addition to these major public laws, the Committee also reported and the Senate passed bills to:

-- reauthorize the Clean Water Act and phaseout the municipal wastewater treatement construction grants program;

-- reauthorize the Federal-aid Highway Program providing $52.4 billion for highway construction;

-- establish a new oil spill liability and compensation program;

-- authorize the activities of the Public Building Service; and

-- authorize appropriations for the Nuclear Regulatory Commission for fiscal years 1986 and 1987.

During the 99th Congress the Committee and its subcommittees held 104 days of hearings and conducted 32 business meetings. Members of the Committee served on House-Senate conference committees for legislation with respect to Superfund, Clean Water, Safe Drinking Water, Highways, Water Resources, and reconciliation legislation.

COMMITTEE JURISDICTION

Section (h) of rule XXV of the Standing Rules of the Senate states that the Committee on Environment and Public Works "...be referred all proposed legislation, messages, petitions, memorials and other materials relating to the following subjects:

"1. Air pollution.
"2. Construction and maintenance of highways.
"3. Environmental aspects of Outer Continental Shelf lands.
"4. Environmental effects of toxic substances, other than pesticides.
"5. Environmental policy.
"6. Environmental research and development.
"7. Fisheries and wildlife.
"8. Flood control and improvements of rivers and harbors including environmental aspects of deepwater ports.
"9. Noise pollution
"10. Nonmilitary environmental regulation and control of nuclear energy.
"11. Ocean dumping.
"12. Public buildings, and improved grounds of the United States generally, including Federal buildings in the District of Columbia.
"13. Public works, bridges and dams.
"14. Regional economic development.
"15. Solid waste disposal and recycling.
"16. Water pollution.
"17. Water resources.

"Such committee shall also study and review, on a comprehensive basis, matters relating to environmental protection and resource utilization and conservation and report thereon from time to time."

FULL COMMITTEE

Superfund

On October 17, 1986 President Reagan signed the Superfund Amendments and Reauthorization Act of 1986 (SARA) into law as P.L. 99-499. The new act provides for a five-year, $8.5 billion reauthorization of the Federal Government's principal program to respond to releases of hazardous substances. The bill, S. 51, was reported by the Environment and Public Works Committee on March 7, 1985 and was passed by the Senate (with revenue amendments reported by the Committee on Finance) on September 24, 1985. Several days of hearings were held on the major provisions of the bill during the concluding weeks of the 98th Congress. The bill was the subject of an extensive conference with the House which began in March, 1986 and was concluded in September. The principal provisions of the new law are outlined below.

Health Studies. SARA authorizes a series of health studies and assessments to be carried out by EPA and the Agency for Toxic Substances and Disease Registry (ATSDR). ATSDR must list 100 hazardous substances most commonly found at Superfund sites within 6 months, must add another 100 substances to the list after 24 months and update the list each year thereafter. ATSDR is then to prepare a toxicological profile of each substance on the list and if available information is inadequate, it is to begin additional research the costs of which should be recovered from the manufacturers of the substance. ATSDR is to perform a health assessment of each site on the National Priorities List to determine health risks and steps to reduce human exposure to releases from the sites. Where health risks are significant, follow-on health studies including epidemiological studies and disease registries are authorized. ATSDR is provided with a mandatory budget of not less than $50 million and 100 FTEs annually.

Standards. When selecting a remedy for a hazardous waste site cleanup, EPA is to select methods of treatment that permanently reduce the volume, toxicity or mobility of the waste rather than temporary remedies. The legislation requires that if hazardous waste is left at a site, EPA must review the remedial action at least every five years to ensure protection of human health and the environment. EPA response actions must meet standards contained in other Federal or State law where such law is applicable or relevant and appropriate. State standards may be waived in a limited set of circumstances. Hazardous wastes disposed of off-site may only be taken to sites that are in compliance with standards issued under the Solid Waste Disposal Act.

Schedules. The new act establishes a goal of completing preliminary assessment of all hazardous waste sites in the nation by January 1, 1988 and inspecting all sites which require inspection by January 1, 1989. The legislation establishes a mandatory schedule for remedial inspection and feasibility studies (RI/FSs) and for the commencement of cleanup actions. EPA must start 375 RI/FSs within 36 months of enactment. It must begin physical cleanups at 175 sites within three years and at 200 sites within the following two years for a total of 375 startups during the five-year reauthorization period.

State and Local Participation. State and local governments are given significant new roles in the Superfund program under the reauthorization legislation. EPA is to issue regulations providing for State participation in the cleanup process beginning with site assessment and continuing through implementation of actual remedies. EPA is authorized to reimburse local governments for the costs of response to hazardous-substance emergencies up to $25,000 for each response. EPA is authorized to pay 90% of the operations and maintenance expenses of remedial actions for a period of ten years at each site (increased from one year under current law). States are given credits for their expenditures at sites which were made before the site was listed on the NPL and for expenditures during the period that the authorization lapsed.

Public Participation. EPA is to provide for public participation in the selection of remedies including hearings near the site. EPA may make grants of up to $50,000 to local groups to assure effective participation by local interests.

Settlements. The new act contains a series of provisions designed to encourage settlements with responsible parties, rather than lengthy litigation, to resolve issues related to the appropriate remedial action. EPA is authorized to prepare a "non-binding preliminary allocation of responsibility" to aid negotiations, to release diminimus contributors from further liability as part of a settlement, to provide covenants not to sue for further liability under limited circumstances, and to use arbitration to settle cases under $500,000. Finally, the act authorizes use of "mixed funding" to be used for cleanup at some sites, funds to include payments from those parties prepared to settle and from EPA for costs assigned to other responsible parties.

Leaking Underground Storage Tanks. SARA includes a new five-year, $500 million program to respond to leaks from underground storage tanks containing petroleum. The response program is assigned to EPA, but may be delegated to the States. Corrective actions at the estimated 189,000 leaking tanks in the nation are to include all measures necessary to protect human health and the environment including the provision of alternative water supplies, relocation of residents in the area of a leak, and various studies to determine exposure. The legislation also provides that owners and operators of tanks must obtain pollution liability insurance or similar financial guarantees to provide for corrective action and compensation to third parties for bodily injury and property damage.

Community Right-to-Know and Emergency Response. There are three major provisions in this part of the legislation: 1) emergency planning authorities are established at the State and local level; 2) chemical plant and facility operators are required to provide information to the local emergency authorities on hazardous substances manufactured, processed or stored at the facility; and 3) various industrial facilities are required to report on the routine release of toxic substances that can cause adverse health effects.

Federal Facilities. SARA generally provides that cleanup of hazardous substance releases at federally-owned facilities will be subject to EPA oversight. EPA is required to establish a docket listing all hazardous waste sites owned or operated by the Federal government. The responsible agency is required to begin an RI/FS within six months of listing on the docket. EPA is to review proposed remedial actions of each agency and cleanup budgets are to be included in each agency's annual budget submission.

Research and Development. SARA establishes a broad, new research program for technologies related to response and remediation of hazardous substance releases. Research would include health effects assessment, environmental detection and response actions which reduce the quantity or toxicity of hazardous materials. Research will be conducted by contracts and cooperative agreements with institutions of higher education, State and local governments and persons in the private sector and will be administered through an office of technology demonstration.

Worker Health and Safety. SARA provides that the Department of Labor will issue regulations within one year of enactment to protect the health and safety of workers employed at hazardous waste site operations. The new act also authorizes grants to non-profit organizations for training and education of workers to be administered by the National Institute of Environmental Health Sciences.

Other Provisions. Among other provisions, SARA provides that: alternative water supplies will include household water in addition to drinking water; the definition of removal actions be modified to cover all actions taking less than 12 months and $2 million; short-term removal actions must contribute to the effectiveness of long-term remedial actions; EPA can acquire real property to facilitate a remedial action; EPA can compel compliance with information requests and inspection orders; EPA will modify the hazard ranking system within 18 months to assure that it adequately reflects the risk to human health and the environment posed by sites; States may pay for the additional costs of a more stringent cleanup than would be required by Federal standards; States must provide sites for the disposal of materials resulting from Superfund responses; the Department of Defense will establish an "environmental restoration program" to be carried out in consultation with EPA; increased civil and criminal penalties may be imposed for violations of CERCLA giving EPA authority to impose civil penalties up to $25,000 per violation; State statutes of limitations be revised to provide that the time period for filing suit begins when the injured party knew or had reason to know that the injury was caused by the release of a hazardous substance; State and local governments are not liable for non-negligent emergency actions in response to a release by another person; regulations for assessing natural resources damages will be issued within six months from the date of enactment; responsible parties have a right of contribution from any other persons potentially liable under CERCLA; a statute of limitations for Federal cost recovery actions be imposed; "pre-enforcement" review of EPA remedial actions is prohibited; Superfund liability for releases of used oil does not apply to the owners of service stations which collect used oil from "do-it-yourselfers"; citizens may sue to enforce provisions of CERCLA; companies may form risk retention groups for pollution liability and that such groups are exempt from certain provisions of State law; EPA will carry out a national assessment of the radon gas problem; EPA will conduct an indoor air quality research program; and GAO will conduct a study concerning the availability of pollution liability insurance.

Clean Air and Acid Rain

In each Congress since 1981, the Committee has given high priority to legislation which would create an acid rain control program. Again, in the 99th Congress the Committee devoted several days to hearings on bills, including S. 2203, S. 2200 and S. 2813, which would control the pollutants which are precursors of acid precipitation. The principal focus of these hearings was S. 2203, the New Clean Air Act, which was introduced by the Chairman, Senator Stafford, and cosponsored by 22 members of the Senate. The Committee held four days of hearings on the legislation during the closing weeks of the Second Session of the 99th Congress.

Public Buildings

The Committee on Environment and Public Works authorizes and oversees the public buildings program of the General Services Administration. To provide workspace for almost 900,000 Federal employees in over 7000 leased and Government-owned buildings across the Nation, GSA requested in excess of $2.4 billion in obligational authority for this program for fiscal year 1987. Annual expenditures proposed by the agency fall into seven categories: construction/acquisition of facilities; repairs and alterations; design and construction services; rental of space; real property operations; program direction; and purchase contract payments.

To address the full scope of the public buildings program, the Committee reports to the Senate an annual authorization bill which includes each of these programmatic components. Use of an annual authorization bill is consistent with the Committee's reform initiative and authorization procedures contained in legislation which passed the Senate during the 96th, 97th, and 98th Congresses.

On May 14, 1986 the Committee held a hearing on S. 2397, the Public Buildings Authorization Act of 1986, and H.R. 2403, a bill to encourage GSA compliance with nationally recognized model building codes. Testimony was received from William F. Sullivan, Commissioner, Public Buildings Service, concerning the projects and expenditures proposed for authorization in S. 2397 as well as the General Services Administration position on H.R. 2403. Testimony on H.R. 2403 was also received from Representative Clay Shaw, Jr. of Florida and Representative F. Robert Smith of Oregon. In addition, Senator Arlen Specter testified on a proposal to construct a new facility to house the Social Security Administration's Data Operations Center in Wilkes-Barre, Pennsylvania.

S. 2397 was reported from the Committee by Chairman Stafford on August 1, 1986. The written report accompanying the bill explained the need to restructure the proposed expenditures for the public buildings program due to GSA's announcement, subsequent to the introduction of S. 2397 and the hearing, that the resource requirements for two major program components, the rental of space and real property operations, had been underestimated by $50 million and $19 million, respectively. The report commented on the extremely negative consequences of escalating rental costs. As the report stated, "Without a means to substantially increase the inventory of federally-owned buildings, annual leasing budgets in excess of $1 billion will undoubtedly be a predominant and permanent feature of the public buildings program." Also noted in the report was GSA's failure to track adequately the funds requested for design and construction services and costs associated with some repair and alteration projects.

S. 2397 passed the Senate on September 12, 1986 by voice vote, but the House of Representatives failed to act on this legislation prior to the end of the 99th Congress.

The Committee has also considered and reported legislation to name public buildings in honor of the following distinguished Americans: the Ariel Rios Memorial Federal Building in Washington, D.C.; the Wallace F. Bennett Federal Building in Salt Lake City, Utah; the Captain John Foster Williams Coast Guard Building in Boston, Massachusetts; the Martin Luther King Federal Building and U.S. Courthouse in Newark, New Jersey; the Jacob Weinberger Federal Building in San Diego, California; the Albert V. Bryan Federal Building in Alexandria, Virginia; the James A. Walsh United States Courthouse in Tucson, Arizona; the Robert N.C. Nix, Sr. Federal Building in Philadelphia, Pennsylvania; the Harold O. Donohue Federal Building in Worcester, Massachusetts; the Silvio James Mollo Federal Building in New York State; the Thaddeus J. Dulski Federal Building in Buffalo, New York; and the Michael J. Dillon Memorial U.S. Courthouse in Buffalo, New York.

Nominations

In addition to its legislative activity, the Committee considered 17 Presidential nominations during the 99th Congress. The nominations for which the Senate gave advice and consent were as follows:

Department of Commerce

Orson G. Swindle, III to be an Assistant Secretary of Commerce.

Environmental Protection Agency

Lee M. Thomas to be Administrator of the Environmental Protection Agency.

A. James Barnes to be Deputy Administrator of the Environmental Protection Agency.

Francis S. Blake to be Assistant Administrator (General Counsel) of the Environmental Protection Agency.

J. Winston Porter to be Assistant Administrator (Office of Solid Waste) of the Environmental Protection Agency.

J. Craig Potter to be Assistant Administrator (Office of Air and Radiation) of the Environmental Protection Agency.

Lawrence J. Jensen to be Assistant Administrator (Office of Water) of the Environmental Protection Agency.

Jennifer Joy Manson to be Assistant Administrator (Office of External Affairs) of the Environmental Protection Agency.

Thomas Lynch Adams, Jr. to be Assistant Administrator (Office of Enforcement and Compliance Monitoring) of the Environmental Protection Agency.

Vaun A. Newwill to be Assistant Administrator (Office of Research and Development) of the Environmental Protection Agency.

Department of Interior

William P. Horn to be Assistant Secretary of Fish and Wildlife of the Department of Interior.

Frank H. Dunkle to be Director of the United States Fish and Wildlife Service.

Mississippi River Commission

Brig. General Thomas A. Sands to be a member and president of the Mississippi River Commission.

Brig. General Robert J. Dacey to be a member of the Mississippi River Commission.

Nuclear Regulatory Commission

Lando W. Zech, Jr. to be a member of the Nuclear Regulatory Commission.

Thomas M. Roberts to be a member of the Nuclear Regulatory Commission.

Kenneth M. Carr to be a member of the Nuclear Regulatory Commission.

Budget Review

Not later than February 25 of each year the Committee is required to make its recommendations to the Budget Committee for program levels for each agency under its jurisdiction for the coming fiscal year. The agencies within the jurisdiction of the Committee (and the proposed budget levels for fiscal year 1987) include: the Federal Highway Administration ($13.5 billion); the Environmental Protection Agency ($5.3 billion); the U.S. Army Corps of Engineers ($2.856 billion); the Nuclear Regulatory Commission ($416 million); the Fish & Wildlife Service of the Department of the Interior ($605 million); the Tennessee Valley Authority ($104 million); the Disaster Relief program of the Federal Emergency Management Agency ($100 million); the Council on Environmental Quality ($820,000); the Kennedy Center for the Performing Arts ($5.0 million); and the water resources research program of the U.S. Geological Survey ($12.7 million). In addition the Committee has jurisdiction over the programs of the

Economic Development Administration and the Appalachian Regional Commission for which no recommendations were made for fiscal year 1987.

The Committee budget review process begins with a series of staff meetings with representatives from each of the agencies. This is followed by full committee hearings on the President's budget proposals for the major agencies. In 1985, the Committee held four days of hearings on the budgets for EPA, NRC, and the Corps of Engineers. In 1986, three days of hearings included testimony from EPA, NRC and the Fish & Wildlife Service. Each year the Committee publishes its report to the Budget Committee along with detailed programmatic recommendations for each agency as a committee print.

In addition to the annual budget review, in each of the two sessions of the 99th Congress the Committee was instructed to make savings in the context of reconciliation legislation.

On September 24, 1985 the Committee met to consider and report title VI of S. Con. Res 32 which became the Consolidated Omnibus Budget Reconciliation Act of 1985. The Committee's recommendation provided for a $3.0 billion reduction in outlays for the highway program over a period of three fiscal years (1986, 1987, and 1988). These savings were accomplished by lowering the obligation ceiling for the highway program. Subsequent appropriations reflect savings of approximately $2.1 billion over this three-year period. The final bill included a provision authored by a Committee of the House of Representatives requiring that the Nuclear Regulatory Commission recover approximately one-third of its budget through fees on the regulated community.

On July 23, 1986 the Committee met to consider and report title V of S. Con. Res. 120 which became the Sixth Omnibus Budget Reconciliation Act. The Committee's recommendation came in four parts: 1) further reductions in the obligation ceiling for the highway program; 2) authorization for EPA fees in the amount of $20 million per year; 3) the sale of defaulted notes by the Economic Development Administration to recover $50 million; and 4) an increase in the fees charged by the Nuclear Regulatory Commission. Only the requirement that EDA sell defaulted notes was included in the final bill signed by the President.

Business Meetings

During the 99th Congress the Committee conducted 28 business meetings to consider and report legislation, approve nominations and adopt recommendations for the budget levels of the agencies within in the Committee's jurisdiction. A brief summary of the business conducted at each of the meetings follows:

On January 4, 1985 the Committee met to adopt procedures and dispose of organizational questions for the 99th Congress.

On January 29, 1985 the Committee met to consider and approve: S. J. Res. 8, a resolution approving the Interstate Cost Estimate for the Federal-aid Highway Program and S. 178, a bill including approval of the Interstate Cost Estimate and other matters related to the Federal-aid Highway Program. The bills included a limitation on the obligation ceiling of the Federal-aid Highway Program at $12.75 billion for fiscal year 1986. At this meeting the Committee also adopted rules for the 99th Congress and a budget resolution for the Committee for the 1st Session.

On February 6, 1985 the Committee met to favorably report the nomination of Lee Thomas to be Administrator of the Environmental Protection Agency.

On February 26 and 28 and March 1 of 1985 the Committee met to consider and report S. 51, a bill to reauthorize the Comprehensive Environmental Response, Compensation and Liability Act.

On February 27, 1985 the Committee met to favorably report the nomination of Lando W. Zech, Jr., to be a member of the Nuclear Regulatory Commission.

On May 1, 1985 the Committee met to favorably report the nominations of A. James Barnes to be the Deputy Administrator of the Environmental Protection Agency and Brig. Gen. Thomas A. Sans and Brig. Gen. Robert J. Dacey to be Members of the Mississippi River Commission. At this meeting the Committee also began consideration of S. 1128, a bill to reauthorize the programs of the Clean Water Act.

On May 2, 1985 the Committee met to consider and report: S. 1128, a bill to reauthorize programs of the Clean Water Act; S. 124, a bill to reauthorize and amend the Safe Drinking Water Act; S. 895, a bill authorizing funds for the Nuclear Regulatory Commission; S. 1030, a bill authorizing funds for the Public Building Service; S. 709, a bill making the Commissioner of the Public Building Service a Presidential appointee; S. 710, a bill authorizing funds for the Kennedy Center for the Performing Arts; S. 1023, a bill authorizing funds for the disaster relief program of the Federal Emergency Management Agency; a bill authorizing funds for the programs of the Toxic Substances Control Act for fiscal year 1986; a bill authorizing funds for research and development at the Environmental Protection Agency for fiscal year 1986; and H.R. 14 to name the Carl D. Perkins Federal Building and United States Courthouse in Ashland, Kentucky.

On June 25, 1985 met to: favorably report the nominations of Francis S. Blake to be an Assistant Administrator of the Environmental Protection Agency and Thomas M. Roberts to be a Member of the Nuclear Regulatory Commission; and to consider and report s.1352, a bill authorizing funds for conservation programs on military reservations and public lands, S. 1353, a bill authorizing funds to provide State matching grants for fish and wildlife conservation programs, and S. 1354, a bill authorizing funds for certain components of the National Wildlife Refuge System.

On July 18, 1985 the Committee met to consider and report S. 1567, a original bill authorizing funds for the construction programs of the Army Corps of Engineers.

On July 29, 1985 the Committee met to: favorably report the nomination of J. Winston Porter to be an Assistant Administrator of the Environmental Protection Agency and William P. Horn to be an Assistant Secretary of the Department of the Interior; and to consider and report a bill to approve the Interstate Cost Estimate for the Federal-aid Highway Program and a bill to ratify the Maine-New Hampshire compact with respect to the Kittery-Portsmouth bridge authority.

On September 24, 1985 the Committee met to make recommendations to the Budget Committee for savings within the context of the reconciliation instructions voted earlier by the Congress.

On October 9, 1985 the Committee met to favorable report the nominations of Jennifer Joy Manson to be an Assistant Administrator of the Environmental Protection Agency and Lawrence J. Jensen to be an Assistant Administrator of the Environmental Protection Agency.

On October 10, 1985 the Committee met to: favorably report the nomination of Orson G. Swindle III to be an Assistant Secretary of the Department of Commerce; and to approve several watershed projects.

On October 16, 1985 the Committee met to consider and report S. 1706, a bill authorizing the Architect of the Capitol to design a building for construction adjacent to the Union Station in Washington, D.C.

On December 4, 1985 the Committee met consider and report the following legislation: S. 1578, a bill to improve procedures for implementation of interstate compacts providing for the disposal of low-level radioactive wastes; S. 725, to authorize funds for the programs of the Endangered Species Act; S. 585, a bill to establish the Eastern Shore of Virginia National Wildlife Service Training Center; S. 893, a bill to establish the Florida

Panther National Wildlife Refuge; S. 1740, a bill to name the Jennings Randolph Lake in West Virginia; S. 1896, a bill to name the Captain John Foster Williams Federal Building in Boston, Massachusetts; S. 978, a bill to name the Wallace F. Bennett Federal Building in Salt Lake City, Utah; S. 653, a bill to name the Ariel Rios Federal Building in Washington, D.C.

On January 30, 1986 the Committee met to report the budget for the Committee for the Second Session.

On February 4, 1986 the Committee met to favorably report the nomination of J. Craig Potter to be an Assistant Administrator of the Environmental Protection Agency.

On March 20, 1986 the Committee met to consider and report S. 1813, a bill to authorize funds for the programs of the Atlantic Striped Bass Conservation Act.

On April 29, 1986 the Committee met to favorably report the nomination of Frank H. Dunkle to be Director of the Fish & Wildlife Service.

On July 22, 1986 the Committee met to consider and report S. 2397, a bill authorizing funds for the Public Building Service for fiscal year 1987. The Committee also began consideration of S. 2405, a bill authorizing funds for the Federal-aid Highway Program at this meeting.

On July 23, 1986 the Committee met to consider and report S. 2405, a bill authorizing funds for the Federal-aid Highway Program. The Committee also approved recommendations to the Budget Committee on savings to be accomplished pursuant to reconciliation instructions adopted by the Congress for fiscal year 1987.

On August 6, 1986 the Committee met to: favorably report the nominations of Kenneth M. Carr to be a Member of the Nuclear Regulatory Commission and Thomas L. Adams to be an Assistant Administrator of the Environmental Protection Agency; and to consider S. 1225, a bill to amend provisions of the Atomic Energy Act with respect to liability for nuclear accidents.

On August 7, 1986 the Committee met to consider and report S. 1225, a bill to amend certain provisions of the Atomic Energy Act with respect to liability for nuclear accidents.

On August 12, 1986 the Committee met to consider and report the following legislation: S. 1696, to protect the floodway of the Colorado River; S. 2083, a bill to establish a program for the identification and abatement of hazardous asbestos in the Nation's schools; S. 740, a bill to authorize funds to promote the conservation of migratory waterfowl. The Committee also considered and approved certain watershed projects at this meeting.

On September 16, 1986 the Committee met to consider and report the following legislation: S. 2799, a bill to establish liability for oil spills and to provide a fund to respond to oil pollution incidents; H.R. 4531, an act to authorize funds for the Wetlands Loan Act; S. 2062, a bill to name the Martin Luther King, Jr. Federal Building and Courthouse in Newark, New Jersey; S. 2788, a bill to name the Jacob Weinberger Federal Building in San Diego, California; and H.R. 4555, an act to name the John W. Bricker Federal Building in Columbus, Ohio.

On October 2, 1986 the Committee met to: favorably report the nomination of Vaun A. Newill to be an Assistant Administrator of the Environmental Protection Agency; and to consider and report H.R. 2403, a bill to require that public buildings comply with nationally recognized building codes and State and local zoning laws, S. 511, a bill to name the Arthur R. Marshall National Wildlife Refuge, and S. 2890, a bill to name the Albert V. Bryan Federal Building in Alexandria, Virginia.

Hearings

During the 99th Congress the Committee on Environment and Public Works conducted 41 days of hearings taking testimony from 239 witnesses on subjects including implementation of the Superfund program, amendments to the Clean Air Act, programs to control acid rain, authorizations for the Public Building Service, oversight of the asbestos-in-schools program, the President's budget requests for fiscal years 1986 and 1987, and nominations to the Nuclear Regulatory Commission, the Environmental Protection Agency, the Fish and Wildlife Service and the Economic Development Administration. In addition the five subcommittees of the Environment and Public Works Committee held 66 days of hearings and business meetings taking testimony from Administration officials and public witnesses on programs and policies within the jurisdiction of the Committee.

On January 30, 1985 the Committee held a hearing on the nomination of Lando W. Zech, Jr. to be a Member of the Nuclear Regulatory Commission.

On February 6, 1985 the Committee held a hearing on the nomination of Lee M. Thomas to be Administrator of the Environmental Protection Agency.

On February 18, 1985 the Committee held a field hearing in Newark, New Jersey, to consider the ability of the Federal Government and the States to respond to toxic chemical emergencies.

On February 20, 1985 the Committee began hearings on the President's budget request for fiscal year 1986 considering the budget proposal for the Environmental Protection Agency.

On February 21, 1985 the Committee continued hearings on the President's budget request for fiscal year 1986 considering the budget proposal for the Environmental Protection Agency.

On February 25, 1985 the Committee held a hearing on S. 51 and S. 494, bills to extend and amend the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (Superfund).

On March 7, 1985 the Committee continued hearings on the President's budget request for fiscal year 1986 considering the budget proposal for the Nuclear Regulatory Commission.

On March 8, 1985 the Committee concluded hearings on the President's budget request for fiscal year 1986 considering the budget proposal for the Army Corps of Engineers.

On March 14, 1985 the Committee held a hearing on legislation authorizing funds for the Public Building Service for fiscal year 1986.

On April 3, 1985 the Committee held a hearing on the availability of environmental impairment insurance and the implementation of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (Superfund).

On April 17, 1985 the Committee held a hearing on the nomination of A. James Barnes to be Deputy Administrator of the Environmental Protection Agency and the nominations of Brig. Gen. Robert J. Dacey and Brig. Thomas A. Sands, both to be Members of the Mississippi River Commission.

On April 30, 1985 the Committee held a joint hearing with the Subcommittee on Governmental Efficiency and the District of Columbia to consider the capabilities of the Federal Government in global forecasting.

On May 22, 1985 the Committee held a hearing on the nomination of Francis S. Blake to be Assistant Administrator of the Environmental Protection Agency.

On June 18, 1985 the Committee held a hearing on the nomination of Thomas M. Roberts to be a Member of the Nuclear Regulatory Commission.

On July 12, 1985 the Committee held an oversight hearing on the implementation of the Asbestos School Hazard Abatement Act (title V of P.L. 98-37).

On July 17, 1985 the Committee held an oversight hearing to evaluate alternatives for the development of land adjacent to Union Station in Washington, D.C. for use of the Administrative Office of the U.S. Courts.

On July 22, 1985 the Committee held a field hearing in Montpelier, Vermont to consider issues related to acid deposition, hazardous air pollutants and ground water contamination.

On July 24, 1985 the Committee held a hearing on the nomination of William P. Horn to be Assistant Secretary of the Interior for Fish and Wildlife and Parks and J. Winston Porter to be Assistant Administrator for Solid Waste and Emergency Response at the Environmental Protection Agency.

On August 5, 1985 the Committee held a field hearing in Augusta, Maine, to consider indoor air pollution and exposure to radon gas.

On September 30, 1985 the Committee held a hearing on the nominations of Jennifer J. Manson to be Assistant Administrator for External Affairs at the Environmental Protection Agency, Lawrence J. Jensen to be Assistant Administrator for Water at the Environmental Protection Agency and Orson G. Swindle III to be Assistant Secretary for Commerce for Economic Development.

On October 30, 1985 the Committee held an oversight hearing on the Department of Energy program for the disposal of high-level nuclear waste.

On December 11, 1985 the Committee held an oversight hearing on the National Acid Precipitation Assessment Program.

On January 30, 1986 the Committee held a hearing on the nomination of J. Craig Potter to be Assistant Administrator for Air and Radiation at the Environmental Protection Agency.

On January 30, 1986 the Committee held a hearing to review the Superfund contingency plan of the Environmental Protection Agency.

On February 19, 1986 the Committee began hearings to review the President's budget request for fiscal year 1987 considering the budget proposal for the Nuclear Regulatory Commission.

On February 20, 1986 the Committee continued hearings on the President's budget request for fiscal year 1987 considering the budget proposal for the Environmental Protection Agency.

On February 21, 1986 the Committee concluded hearings on the President's budget request for fiscal year 1987 considering the budget proposal of the Fish and Wildlife Service of the Department of the Interior.

On April 23, 1986 the Committee held a hearing on the nomination of Frank H. Dunkle to be Director of the Fish and Wildlife Service of the Department of the Interior.

On May 14, 1986 the Committee held a hearing on S. 2403, a bill requiring that public buildings constructed or altered under authority of the Public Buildings Act be in compliance with nationally recognized building codes and State and local zoning laws, and S. 2397, a bill authorizing funds for the Public Building Service for fiscal year 1987.

On June 26, 1986 the Committee held hearings on proposed legislation relating to acid rain and other air pollution issues.

On July 28, 1986 the Committee held a hearing on the nomination of Thomas L. Adams, Jr. to be Assistant Administrator for Enforcement and Compliance Monitoring at the Environmental Protection Agency and Kenneth M. Carr to be a Member of the Nuclear Regulatory Commission.

On September 10, 1986 the Committee began hearings on S. 2340, a bill to provide a system of liability and compensation for oil spill damages and removal costs.

On September 12, 1986 the Committee concluded hearings on S. 2340, a bill to provide a system of liability and compensation for oil spill damages and removal costs.

On September 25, 1986 the Committee began hearings on S. 2203, a bill to establish a program to reduce acid deposition and other forms of air pollution, and related measures including S. 2200 and S. 2813.

On September 26, 1986 the Committee continued hearings on S. 2203, a bill to establish a program to reduce acid deposition and other forms of air pollution, and related measures including S. 2200 and S. 2813.

On September 29, 1986 the Committee held a hearing on the nomination of Vaun A. Newill to be Assistant Administrator for Research and Development at the Environmental Protection Agency.

On September 30, 1986 the Committee continued hearings on S. 2203, a bill to establish a program to reduce acid deposition and other forms of air pollution, and related measures including S. 2200 and S. 2813.

On October 1, 1986 the Committee held oversight hearings to review Federal procedures relating to the proposed PortAmerica site in Prince Georges County, Maryland.

On October 2, 1986 the Committee concluded hearings on S. 2203, a bill to establish a program to reduce acid deposition and other forms of air pollution, and related measures including S. 2200 and S. 2813.

SUBCOMMITTEE ON ENVIRONMENTAL POLLUTION

Under the leadership of Senators John Chafee and George Mitchell, the legislative and oversight activities of the Subcommittee focused principally on the reauthorization of the Clean Water Act, creation of a new oil spill "superfund," and reauthorization of a number of wildlife and refuge bills.

Clean Water Act

Early in 1985 the Subcommittee resumed efforts begun in the 98th Congress to reauthorize provisions of the Clean Water Act. S. 1128, a bill making significant innovations in the municipal construction grants program and establishing the first national program to control nonpoint sources of pollution, was reported by the Committee on May 14, 1985 and passed the Senate on June 13. The conference which began in the fall of 1985 was concluded in October of 1986 and the conference report was approved unanimously by both the Senate (96-0) and the House (408-0). The bill failed to become public law when the President allowed it to lapse without signature on November 6.

Construction Grants. Title II of the Clean Water Act authorizes grants to States to construct municipal wastewater treatment systems. Over the past two decades the Federal Government has provided more than $40 billion through this program to improve the quality of the Nation's surface waters. Since 1981 the Administration has been seeking modifications in the program which would focus the effort on water quality improvement and gradually return responsibility for financing wastewater treatment to State and local government. The bill adopted by the conference authorized an additional $18 billion of Federal assistance over the next eight years, but also included provisions to restructure the grant-in-aid as a revolving loan program administered by the States and to gradually phaseout the Federal capital contribution to the State funds. The allocation formula for the construction grants program was reported from the conference committee with only minor changes in the existing formula.

Nonpoint Sources of Pollution. The principal programs of the existing Clean Water Act focus on identifiable point sources of pollution like pipes, ditches and outfalls from industrial and municipal wastewater sources. As these sources have come under control, so-called "nonpoint sources of pollution" including farm and urban run-off have received increasing attention as a significant source of surface water contamination. S. 1128 authorized a new four-year, $400 million program to be administered jointly by EPA and the States to control nonpoint sources through the development and implementation of best management practices for agriculture, silviculture, and construction applications. This nonpoint source amendment to title III of the Clean Water Act would also have required that projects developed by Federal agencies or with assistance from Federal grants be consistent with State nonpoint source control programs.

Other Provisions. In addition to reauthorization of the construction grants program and the new effort to control nonpoint sources of pollution, S. 1128 also included the following provisions: a requirement that States identify waters which will not meet water quality standards for toxic pollutants even after all industrial sources come into compliance and propose strategies to reduce toxics beyond the best available technology requirements in current law; a prohibition on back-sliding from existing levels of control specified in permits except in limited circumstances; a requirement that all industrial sources of stormwater discharge and all cities over 250,000 apply for and receive stormwater run-off permits within a four-year period; a national estuaries program authorized at $60 million; and a reauthorization of the Clean Lakes program at $85 million over five years.

Oil Spill Liability

Beginning late in the Second Session of the 99th Congress, the Committee took under consideration legislation to establish an oil spill liability and cleanup program. The Committee was building on a long history of work in this area. The first oil spill amendments were enacted as section 311 of the Clean Water Act in 1970. The Committee also reported comprehensive legislation in 1978.

The danger of oil pollution and unauthorized operational spills from tankers and oil facilities is a matter of continuing concern for coastal and other States. Last December, the United States tanker Argo Anchorage ran aground in Port Angeles Harbor, Washington spilling 200,000 gallons of crude oil and causing extensive damage to wildlife. In September of this year the Viking Osprey, a Singapore flag ship discharged 300,000 gallons of crude oil into the Delaware River. It was the second major spill affecting the waters of Pennsylvania, Delaware and New Jersey within the year.

After two days of hearings and two days of business meetings, the Committee reported S. 2799, a bill to create a comprehensive domestic oil spill regime and to implement certain provisions of two international agreements on oil pollution liability and environmental response.

Major Provisions. S. 2799 would increase the limits on liability for oil pollution damage for vessels and facilities operating in U.S. waters. For tankers carrying oil in bulk the limit would be $500 per gross ton or $10 million, whichever is greater. For facilities operating on the Outer Continental Shelf the limit would be $75 million plus cleanup costs. For other facilities the limit would be $100 million per incident.

To provide for response where damages and removal costs exceed the limit on liability or where costs and damages cannot be recovered, the bill also establishes an oil spill compensation fund to be designed and financed by legislation which is within the jurisdiction of the Committee on Finance. As a part of the Sixth Omnibus Budget Reconciliation Act, the Congress adopted a tax and fund contingent on enactment of the substantive provisions. The tax was set at 1.3 cents per barrel on the production or importation of crude oil providing for a minimum fund of $300 million and maximum coverage of $500 million for any particular spill.

The bill also provided for implementation of two international conventions on oil pollution. The conventions provide an international system of liability for owners of tankers. The conventions also include a response fund for damages which exceed the liability limits. S. 2799 provided that neither the domestic or international regime would preempt liability and response provisions of State law.

S. 2799 was passed by the Senate on September 28, 1986. Although the House had earlier included a comprehensive oil spill program as a title of its Superfund reauthorization proposal, it was not possible to resolve the differences in the Senate and House approaches before the conclusion of the 99th Congress.

Wildlife

Wetlands. The principal accomplishment in the area of wildlife law in the 99th Congress was an extension of the Wetlands Loan Act of 1961. The loans are to the Fish & Wildlife Service of the Department of the Interior to acquire migratory bird habitat. The loans were to be repaid from future duck stamp sales, but were forgiven as one aspect of the reauthorization legislation, S. 740. The reauthorization bill also provides several new sources of revenue for the wetlands acquistion program.

Endangered Species. Although the Committee reported a bill, S. 725, to reauthorize the Endangered Species Act, it was not adopted by the Senate before the conclusion of the 99th Congress.

Other. The Subcommittee also reported several other pieces of wildlife legislation including amendments to the Atlantic Striped Bass Conservation Act (P.L. 99-432); reauthorization of the Fish and Wildlife Conservation Act (P.L. 99-375); and extension and reauthorization of several national wildlife refuges.

Other Issues

In addition to those activities described above, the Subcommittee conducted extensive oversight activities with respect to the 1984 amendments to the Solid Waste Disposal Act and oversight hearings on the environmental and health effects which may result from ozone depletion in the upper atmosphere and the greenhouse effect.

Hearings

During the 99th Congress the Subcommittee on Environmental Pollution held 22 days of hearings, as follows:

On March 26, 1985 the Subcommittee began hearings on S. 53 and S. 652, bills authorizing funds for programs of the Clean Water Act.

On March 27, 1985 the Subcommittee continued hearings on S. 51 and S. 652, bills authorizing funds for the programs of the Clean Water Act.

On March 28, 1985 the Subcommittee concluded hearings on S. 51 and S. 652, bills authorizing funds for the programs of the Clean Water Act.

On April 16, 1985 the Subcommittee began hearings on S. 725, a bill authorizing funds for fiscal years 1986 through 1990 for the programs of the Endangered Species Act.

On April 18, 1985 the Subcommittee concluded hearings on S. 725, a bill authorizing funds for fiscal years 1986 through 1990 for programs of the Endangered Species Act.

On May 21, 1985 the Subcommittee began oversight hearings on implementation of section 404 of the Clean Water Act relating to the wetlands dredge and fill permit program.

On June 10, 1985 the Subcommittee continued oversight hearings on section 404 of the Clean Water Act relating to the wetlands dredge and fill permit program.

On June 19, 1985 the Subcommittee began oversight hearings to review Environmental Protection Agency regulations concerning ocean incineration of hazardous waste.

On July 1, 1985 the Subcommittee held a field hearing in Great Falls, Montana, on grizzly bear management in the Northern ecosystem.

On July 15, 1985 the Subcommittee continued hearings on implementation of section 404 of the Clean Water Act relating to the wetlands dredge and fill permit program.

On July 17, 1985 the Subcommittee concluded oversight hearings to review Environmental Protection Agency regulations concerning ocean incineration of hazardous waste.

On July 19, 1985 the Subcommittee held an oversight hearing on the implementation of the Atlantic Striped Bass Conservation Act.

On July 30, 1985 the Subcommittee held a hearing on S. 824, a bill to restrict and eliminate ocean dumping of municipal sludge in the New York Bight Apex.

On September 3, 1985 the Subcommittee held a field hearing in Rexburg, Idaho, to consider grizzly bear management in the Northern ecosystem.

On September 18, 1985 the Subcommittee concluded oversight hearings on section 404 of the Clean Water Act relating to the wetland dredge and fill permit program.

On September 20, 1985 the Subcommittee conducted a hearing on S. 585, a bill to establish the Eastern Shore of Virginia National Wildlife Refuge and National Fish and Wildlife Service Training Center.

On November 18, 1985 the Subcommittee held a hearing on S. 740, a bill authorizing funds through fiscal year 1995 to promote the conservation of migratory waterfowl and to offset or prevent the serious loss of wetlands and other essential habitat.

On February 24, 1986 the Subcommittee held a hearing on H.R. 3917, a bill to extend the period allowed for compliance with certain financial responsibility requirements applicable to land disposal facilities under the Solid Waste Disposal Act.

On February 24, 1986 the Subcommittee conducted an oversight hearing on implementation of the Hazardous and Solid Waste Amendments of 1984 and the loss of interim status.

On March 25, 1986 the Subcommittee held a joint hearing with the Subcommittee on Nuclear Regulation on the regulation of mixed chemical and radioactive waste disposal under the Atomic Energy Act.

On June 10, 1986 the Subcommittee began oversight hearings to review problems posed by ozone depletion and the greenhouse effect.

On June 11, 1986 the Subcommittee concluded hearings to review problems posed by ozone depletion and the greenhouse effect.

On September 17, 1986 the Subcommittee held hearings on S. 2741, a bill to establish the Bayou Sauvage Urban National Refuge, and S. 1352 and H.R. 1202, bills authorizing funds for fiscal years 1986, 1987 and 1988 for conservation programs on military reservations and public lands.

Business Meetings

During the 99th Congress the Subcommittee conducted two days of business meetings. On April 23, 1985 the Subcommittee met to consider and report an original bill authorizing funds for the programs of the Clean Water Act. On November 13, 1985 the Subcommittee met to consider and report S. 725, a bill to authorize funds for the programs of the Endangered Species Act, and S. 1354, a bill to authorize funds for various wildlife refuges.

SUBCOMMITTEE ON NUCLEAR REGULATION

Summary

During the 99th Congress, the Subcommittee on Nuclear Regulation, under the leadership of its Chairman, Alan K. Simpson, and Ranking Minority Member, Gary Hart, undertook a wide range of legislative and oversight activities in the field of nuclear power.

The Subcommittee, which has jurisdiction over the non-military environmental regulation and control of nuclear power, conducted 12 hearings and 2 markups in the 99th Congress on a variety of nuclear issues, including nuclear liability insurance, reform of the licensing and regulatory process for commercial nuclear power plants, training of nuclear power plant personnel, implementation of the Nuclear Waste Policy Act, disposal of low-level radioactive waste, use of radioepidemiological tables for determining causation of radiogenic cancers, and regulation of mixed hazardous and radioactive wastes.

In addition to these activities at the Subcommittee level, the full Committee conducted 6 hearings and 3 markups on a variety of nuclear issues, including high-level and low-level radioactive waste disposal, nuclear liability insurance, and the nomination of three individuals to serve as members of the Nuclear Regulatory Commission.

During the 99th Congress, the Subcommittee focused its attention on three major legislative initiatives: the Low-Level Radioactive Waste Policy Act Amendments Act of 1985, the Price-Anderson Act Amendments Act of 1985, and the Nuclear Regulatory Commission Authorization for Fiscal Years 1986 and 1987.

The Low-Level Radioactive Waste Policy Act Amendments Act of 1985 was favorably reported from the Committee, passed by both the Senate and the House of Representatives, and signed into law on January 15, 1986 as Public Law 99-240. The Price-Anderson Act Amendments Act of 1985 was favorably reported from the Committee, but was not acted upon by the full Senate. The Nuclear Regulatory Commission Authorization for Fiscal Years 1986 and 1987 was favorably reported from the Committee and passed by the Senate, but was not acted upon by the House of Representatives.

Low-Level Radioactive Waste Policy Act Amendments Act of 1985

On October 8, 1986, the Subcommittee held joint hearings with the Committee on Energy and Natural Resources on S. 1578, a bill introduced by Senator Thurmond and referred to the Environment and Public Works Committee, as well as a similar bill, S. 1517, referred to the Energy and Natural Resources Committee. The Subcommittee received testimony at this hearing from various affected States, the Department of Energy, the Environmental Protection Agency, the Nuclear Regulatory Commission, various environmental groups, waste disposal site operators, and generators of low-level radioactive waste.

On November 21, 1985, the Subcommittee reported the bill to the full Committee for further consideration. On December 4, 1985, the full Committee favorably reported S. 1578 to the Senate.

Following discussions between the three Committees of principal jurisdiction -- the Committee on Environment and Public Works, the Committee on Energy and Natural Resources, and the Committee on the Judiciary -- a legislative package was presented to the Senate. On December 19, 1986, the Senate passed the bill unanimously, and returned the bill, H.R. 1083, to the House of Representatives. The House of Representatives concurred in the Senate amendments, with one amendment, and returned H.R. 1083 to the Senate for further action. The Senate agreed to the House amendment and, on January 15, 1986, the bill was signed into law as Public Law 99-240.

The Low-Level Radioactive Waste Policy Act Amendments Act of 1985 contains the following principal provisions:

Interim Access: Generators within the unsited States would be guaranteed access, subject to several conditions, limitations, and surcharges, to the existing disposal facilities within the sited regions for an additional seven years, until January 1, 1993.

Volume Limits: The sited States would not be required to accept any volumes of waste greater than the amount that they are currently accepting on an annual basis. Because there is expected to be an increase in the number of operating nuclear power reactors, the volume caps mean that the generators must reduce the volume of waste generated.

Surcharges: The sited States would be allowed to impose fixed surcharges upon imported waste as compensation for agreeing to dispose of such waste for an additional seven years, as an economic incentive for other States to reduce the volume of the waste, and as an incentive for the unsited States to develop their own sites.

Milestones: The unsited States would be required to meet several milestones toward the opening of new sites in order to be entitled to access to the sited States' disposal facilities. Penalty surcharges may be imposed or access may be denied for generators located in States that have not met the milestones. States or regions that meet the milestones would receive partial rebates of the surcharges.

Emergency Access: The Nuclear Regulatory Commission would be allowed to grant emergency access to a disposal site if necessary to eliminate an immediate and serious threat to the public health and safety.

State Responsibilities: The States would be responsible for the disposal of all low-level radioactive waste, as defined by the Nuclear Regulatory Commission. Responsibility for disposal of more highly-radioactive waste would not be a State responsibility.

Alternative Disposal Methods: The Nuclear Regulatory Commission would be required to establish technical guidance for disposal facilities that use disposal methods other than shallow land burial.

The Price-Anderson Act Amendments Act of 1985

The second major legislative initiative addressed by the Subcommittee on Nuclear Regulation during the 99th Congress involved reauthorization of the legislation that establishes the requirements and procedures for compensating the public in the event of a nuclear accident resulting from activities undertaken by Department of Energy contractors or Nuclear Regulatory Commission licensees (sections 170 and 11 of the Atomic Energy Act, commonly known as the Price-Anderson Act).

The Subcommittee began its consideration of reauthorization of the Price-Anderson Act early in the 99th Congress, focusing on three bills pending before the Committee on Environment and Public Works -- S. 445, S. 1225, and S. 1761.

The Subcommittee held three hearings and heard from 32 witnesses in order to develop a public record for Committee review of the Price-Anderson reauthorization initiative.

Based upon these hearings, the Subcommittee reported a bill, S. 1225, to the full Committee on June 26, 1986. On August 7, 1986, the full Committee favorably reported this bill to the Senate for further consideration. No further action was taken by the full Senate.

The bill reported by the full Committee, the Price-Anderson Act Amendments Act of 1985, include the following major provisions:

S. 1225 provides for major changes in the financial protection required for those commercial nuclear powerplants licensed by the Nuclear Regulatory Commission that have a rated capacity of 100,000 electrical kilowatts or more and as it applies to Department of Energy contractors involved in the construction or operation of production or utilization facilities or other activities (including nuclear waste activities) that involve the risk of public liability for a substantial nuclear incident.

The bill also amends the Price-Anderson Act by establishing a new mechanism for Congressional review of any nuclear accident that appears likely to result in public liability claims in excess of the funds immediately available for compensation and extends by twenty years the authority of the Nuclear Regulatory Commission to indemnify certain licensees and other persons from public liability arising from nuclear incidents which is in excess of the required level of financial protection and its authority over nonprofit educational institutions.

Nuclear Regulatory Commission Authorizations

The third major legislative initiative considered by the Subcommittee in the 99th Congress was the Nuclear Regulatory Commission Authorization for fiscal years 1986 and 1987.

In January of 1985, the Nuclear Regulatory Commission submitted its budget request for fiscal years 1986 and 1987. Hearings were held on the Commission's request on March 7, 1985, with testimony presented by all five NRC Commissioners, as well as the office directors of NRC's principal program offices.

Based upon these hearings, the Committee reported a bill on May 2, 1985 authorizing appropriations for the Commission for fiscal years 1986 and 1987. The bill, S. 895 authorized $437,000,000 for salaries and expenses of the NRC for fiscal year 1986, $8,000,000 above the Commission's fiscal year 1986 request of $429,000,000. The authorization represents a decrease of $11,200,000 from the amount appropriated to the Commission for fiscal year 1985. S. 895 also included funding for the equivalent of 3,491 permanent staff positions.

The bill also authorized $437,000,000 for salaries and expenses for the agency for fiscal year 1987, $23,000,000 below the NRC's fiscal year 1987 request of $460,000,000.

On June 13, 1985, the Senate passed S.895, with one amendment, and forwarded the measure to the House of Representatives. No further action was taken by the House.

Hearings

In addition to the three major legislative initiatives summarized above, the Subcommittee also held hearings on a wide variety of issues involving nuclear power, including the disposal of high-level, and mixed radioactive and hazardous waste, reform of the licensing and regulatory process for commercial nuclear power plants, training of nuclear power plant personnel, and the use of radioepidemiological tables for determining causation of radiogenic cancer.

On February 11, 1985 the Subcommittee held a field hearing in Hereford, Texas on the placement of a nuclear waste repository in Deaf Smith County, Texas.

On June 11, 1985 the Subcommittee began joint hearings with the Committee on Labor and Human Resources to review the medical consequences which may arise from the use of radioepidemiological tables.

On June 12, 1985 the Subcommittee concluded joint hearings with the Committee on Labor and Human Resources on the medical consequences which may arise from use of radioepidemiological tables.

On June 27, 1985 the Subcommittee held a hearing on S. 16, the National Nuclear Powerplant Personnel Training Act of 1985.

On July 11, 1985 the Subcommittee held a hearing on S. 836, a bill to revise licensing procedures for nuclear power plants.

On October 8, 1985 the Subcommittee held a joint hearing with the Committee on Energy and Natural Resources to consider S. 1578 and S. 1517, bills relating to low-level nuclear waste disposal.

On October 22, 1985 the Subcommittee held a hearing on S. 445, S. 1225 and S. 1761, bills to revise and extend certain provisions of the Atomic Energy Act of 1954 with respect to liability for nuclear accidents (Price-Anderson Act).

On October 23, 1985 the Subcommittee continued hearings on S. 445, S. 1225, and S. 1761, bills to revise and extend certain provisions of the Atomic Energy Act of 1954 with respect to liability for nuclear accidents (Price-Anderson Act).

On March 25, 1986 the Subcommittee held a joint hearing with the Subcommittee on Environmental Pollution to consider issues relating to mixed radioactive and hazardous waste disposal.

On May 13, 1986 the Subcommittee continued hearings on S. 445, S. 1225 and S. 1761, bills to revise and extend certain provisions of the Atomic Energy Act of 1954 with respect to liability for nuclear accidents (Price-Anderson Act).

On June 17, 1986 the Subcommittee began hearings on S. 1235, S. 2291 and S. 2471, bills to reform the regulatory process for commercial nuclear power plants (single administrator, nuclear safety board, and inspector general).

On June 18, 1986 the Subcommittee concluded hearings on S. 1235, S. 2291 and S. 2471, bills to reform the regulatory process for commercial nuclear power plants (single administrator, nuclear safety board, and inspector general).

Business Meetings

The Subcommittee on Nuclear Regulation held two markup sessions during the 99th Congress. On November 21, 1985 it met to markup and report S. 1578, the Low-Level Radioactive Waste Policy Act Amendments of 1985. On June 26, 1986 the Subcommittee met in a business session to markup and report S. 1225, the Price-Anderson Act Amendments of 1985.

SUBCOMMITTEE ON TRANSPORTATION

This past session, the Subcommittee on Transportation completed a series of hearings and considered major, multi-year legislation to reauthorize the Federal-aid highway program. Under the leadership of Senators Steve Symms and Quentin N. Burdick, chairman and ranking minority member, the Subcommittee sought to provide $52.4 billion in new authorizations for the highway program for fiscal years 1986 through 1990 to the 50 States, the District of Columbia, Puerto Rico, and the Territories.

A wide range of issues were examined during a series of ten hearings which began during the first session and were concluded in the Spring of 1986. Secretary of Transportation Elizabeth Hanford Dole testified on March 6, 1986 on reauthorization of the Federal-aid highway program and the Administration's legislative proposal. Also providing testimony were Ray A. Barnhart, Federal Highway Administrator; Ralph L. Stanley, Urban Mass Transportation Administrator; and Edward M. Gramlich, Deputy Director of the Congressional Budget Office.

The last hearing took place on May 20, 1986 with testimony from several Senators, industry representatives, professional associations, and State and local officials.

S. 2405, the Federal-Aid Highway Act of 1986, was introduced by Senator Symms, Stafford, Bentsen, Burdick, and Abdnor on May 6, 1986. Among the important provisions of this bill were the administrative release mechanism for Interstate construction and Interstate substitute funds ensuring long range funding security; fiscally responsible authorization levels; revisions to provide greater equity in distribution of the funds to the States; new research initiatives; program reforms; and additional flexibility to the States in administering their highway construction and improvement programs.

The Environment and Public Works Committee considered S. 2405 on July 23 and 24, 1986, voted by 11 to 4 to include important improvements in highway beautification, and by unanimous vote of 15 to 0 ordered the bill, with amendments, reported on July 24, 1986. Senate Report 99-369 accompanied S. 2405.

The Senate began consideration of the Federal-Aid Highway Act on September 23, 1986 and passed the legislation the following day by a unanimous vote of 99 yeas. Despite concerted efforts by Senate conferees, the Conference Committee was unable to resolve numerous differences between the Senate and House bills before the end of the second session of the 99th Congress.

On October 18, 1986, the last day of the session, Senators Stafford, Chafee, Burdick, Symms and Bentsen introduced S. 2951, the Emergency Highway Funding Flexibility Act of 1986. This legislation would have allowed States some flexibility in using the approximately $6.2 billion in carryover funding from previous years. The measure quickly passed the Senate, but the House took no action on this bill.

Hearings

During the 99th Congress the Subcommittee on Transportation held nine days of hearings, as follows:

On July 10, 11, 18 and 31 of 1985 the Subcommittee held hearings on legislation to authorize funds for the Federal-aid highway program.

On August 29, 1985 the Subcommittee held a field hearing in Boise, Idaho, on the Federal-aid highway program.

On November 6, 1985 the Subcommittee held a hearing on S. 1796, a bill to authorize an extension of Hawaii Interstate Route H-3, focusing on parkland protection issues associated with construction.

On March 6, 1986 the Subcommittee held hearings on proposed legislation to authorize funds for the Federal-aid highway program for fiscal years 1987 through 1990.

On March 17, 1986 the Subcommittee held hearings on the status of the air traffic control system with emphasis on rebuilding the controller work force and system safety.

On May 20, 1986 the Subcommittee held a hearing on S. 2405, a bill authorizing funds for fiscal years 1987 through 1990 for the Federal-aid highway system.

SUBCOMMITTEE ON WATER RESOURCES

Omnibus Legislation

During the 99th Congress, the Subcommittee on Water Resources, under the leadership of Chairman, James Abdnor, and Ranking Minority Member, Daniel Patrick Moynihan, played a key role in developing the most significant water resources development law passed by the Congress in many years. The Water Resources Development Act of 1986 was the product of more than four years of work by the Subcommittee and represents the first omnibus water legislation in over a decade.

In addition to authorizing approximately $15.3 billion in new Corps of Engineers flood control, navigation, erosion control, and other water resources projects, programs and studies, the Water Resources Development Act makes several reforms in water resources development policy.

Among the more significant of these policy reforms is the implementation of new cost sharing formulas for the construction of Corps of Engineers water resource projects. Under the provisions of the bill, non-Federal sponsors of flood control, navigation, beach erosion, and other types of projects will be required to make a more significant monetary contribution toward project construction. These new requirements will not only stretch limited federal public works dollars, but will ensure better designed and more realistic projects by increasing local participation in project planning and construction.

The Act also provides for a new ad valorem tax of 0.04% (40 cents per $100 of value) for commercial cargo loaded at the Nation's harbors. This new tax will help pay the cost of operating and maintaining these harbors which heretofor has been completely paid for by the Federal Government. The existing inland waterway fuel tax of 10 cents per gallon is also doubled over the course of the next ten years. Fuel tax revenues are deposited in the inland waterways trust fund which is to be used to pay for 50% of the cost of new inland lock and dam construction.

In addition, the Water Resources Development Act also contains numerous provisions designed to protect and enhance environmental quality associated with Corps projects. For example, the Act requires that mitigation for environmental damages caused by construction of Corps projects proceed concurrently with project construction instead of after construction or never as has often been the case in the past. Further, specific mitigation plans are also required to accompany future projects sent to the Congress for authorization. The bill also establishes an Office of Environmental Policy in the Corps of Engineers and creates an environmental mitigation revolving fund to help pay for mitigation work at Corps projects.

Among the most significant of the new programs created by this Act is a program to encourage better State dam safety programs. Since over half of the current State dam safety programs are inadequate to assure the safety of non-Federal dams, the Act makes limited matching funds available for those States which bring their programs up to specified standards.

The Water Resources Development Act is one of the major pieces of natural resources legislation to be passed by the 99th Congress, and received broad support from the States, local governments and industry and environmental groups.

Other Issues

Also during the 99th Congress, the Subcommittee on Water Resources reported the Colorado River Floodway Protection Act (Public Law 99-242). Modeled after the Coastal Barrier Resources Protection Act, the bill removes a wide variety of Federal development subsidies from the high risk floodway area below the Davis Dam on the Lower Colorado River.

In addition to saving the Federal dollars that would be spent providing certain types of disaster relief, flood insurance, and other development assistance for this high risk area, the Colorado River Floodway Protection Act will discourage the increasing development in the Floodway that has resulted in pressure to increase flood control storage at the expense of water supply storage in the upstream Federal reservoir system. If implemented, such a change in storage priorities could mean the loss of billions of dollars worth of water supply and possibly require the construction of major new water storage projects.

Hearings

During the 99th Congress the Subcommittee on Water Resources held six days of hearings, as follows:

On May 10, 1985 the Subcommittee began hearings on S. 366, S. 534, and S. 967, bills to authorize the U.S. Army Corps of Engineers to construct various projects for the improvement of rivers and harbors.

On May 16, 1985 the Subcommittee continued hearings on S. 366, S. 534 and S. 967.

On July 16, 1985 the Subcommittee held a hearing on original legislation to authorize the U.S. Army Corps of Engineers to construct various projects for the improvements of rivers and harbors.

On September 26, 1985 the Subcommittee held a hearing to review pending projects of the Soil Conservation Service of the Department of Agriculture.

On April 22, 1986 the Subcommittee held a hearing on S. 1696, a bill to establish a floodway protection program for the Colorado River.

SUBCOMMITTEE ON TOXIC SUBSTANCES AND ENVIRONMENTAL OVERSIGHT

Under the leadership of Senators Dave Durenberger and Max Baucus, chairman and ranking member, the Subcommittee reported two bills which became public law. S. 124 reauthorized and substantially modified the Safe Drinking Water Act. S. 2083, introduced by Senator Stafford, established a new Federal program to assure that hazardous asbestos materials are removed from the Nation's elementary and secondary schools.

Safe Drinking Water Act

The Safe Drinking Water Act Amendments of 1986 provide a five-year reauthorization of the Federal drinking water protection program and make substantial amendments to the existing law. Under the provisions of P.L. 99-339, the Environmental Protection Agency is required to establish standards for 83 drinking water contaminants in the next three years. These standards are derived from health-based goals and are to include consideration of treatment technologies which are the best available as a benchmark.

EPA will also mandate filtration and disinfection as treatment techniques for all public water supply systems to remove contaminants, including biological and chemical contaminants for which national standards have not been set. Local public water supply systems will be required to monitor for a broad range of possible contaminants in addition to those for which EPA sets standards. And the bill includes significant new programs of technical assistance for small water supply systems to assure that monitoring is adequate and that the new treatment techniques are available to smaller communities.

The 1986 amendments also include two new programs to protect the ground water resources of the Nation. The Act requires States to identify "wellhead protection areas" in the immediate vicinity of the wells or wellfields serving the 40,000 communities which rely on ground water supplies and to develop protection programs to assure that sources of contamination within these areas do not contaminate drinking water. The bill also includes a new Federal demonstration program for the protection of "sole source aquifers" which provide the only or principal source of drinking water to a community and which are highly vulnerable to contamination.

Finally, the amendments modify the Underground Injection Control program administered by the Environmental Protection Agency to improve monitoring of injection wells and increase enforcement actions in response to violations.

Asbestos-in-Schools

A second bill, introduced by Senator Stafford, and considered and reported by the Subcommittee in the Second Session of the 99th Congress led to a new program to respond to the asbestos hazards which exist in the Nation's schools. EPA estimates that 15 million school children and 1.4 million school employees occupy buildings that contain asbestos, which was used widely as a building material until the 1970s. Asbestos is a known human carcinogen that, when inhaled, can cause lung cancer, mesothelioma and scarring of the lung tissue.

The new Act has three major provisions: it requires the Environmental Protection Agency to promulgate regulations for the identification and abatement of asbestos hazards in schools; it requires local education agencies to take steps which will assure complete inspection of schools for asbestos material and removal or treatment of items that present a hazard to children or school personnel; and it requires that contractors who perform inspections and abatement actions under contract with school boards be trained and accredited to handle hazardous asbestos materials in a manner assuring adequate protection for human health and the environment. The new program is entitled the Asbestos Hazard Emergency Response Act of 1986 and is P.L. 99-519.

Senators James Abdnor, Robert Stafford, Frank Lautenberg and Max Buacus led an effort to assure that the 1987 Continuing Resolution would include $50 million in funds for the existing EPA grant-in-aid to schools to assist in asbestos hazard abatement.

Other Issues

The Subcommittee continued its general oversight of pesticide law and regulation with a hearing in September of 1986 on ground water contamination resulting from pesticide applications in agricultural uses. Dr. John Moore, the assistant administrator for pesticides at EPA, testified on steps that the Agency is taking to improve ground water protection under existing law. The Subcommittee also heard from representatives of State government, drinking water administrators, the environmental community, farm interests and the chemical manufacturers. Subsequent to this hearing, Senators Durenberger and Baucus offered an amendment to S. 2792, a reauthorization of the Federal Insecticide, Fungicide and Rodenticide Act, which was then pending before the Senate. The amendment established an extensive, new ground water protection program under FIFRA authority and was adopted by the Senate.

The Subcommittee held a legislative hearing on Senator Durenberger's bill, S. 1967, to regulate the intentional release of genetically-modified organisms into the environment. The bill requires review by EPA of the potential human health and environmental impact of the new organisms and requires the developers to provide EPA with significant data on these impacts before a research or commercial release is conducted. During 1986 the Administration announced a new interagency biotechnology policy which the Subcommittee reviewed through staff meetings and other oversight work.

The Subcommittee concluded a series of seven oversight hearings on ground water contamination. These hearings contributed to a variety of legislative activities including amendments to the Safe Drinking Water Act, Superfund (with respect to leaks from underground storage tanks) and FIFRA.

Hearings

During the 99th Congress the Subcommittee on Toxic Substances and Environmental Oversight held 11 days of hearings on amendments to the Safe Drinking Water Act, ground water contamination, biotechnology and global warming, as follows:

On March 21, 1985 the Subcommittee held a hearing on S. 124, a bill to reauthorize and amend the Safe Drinking Water Act.

On June 17, 1985 the Subcommittee began oversight hearings on ground water contamination.

On June 20, 1985 the Subcommittee continued hearings on ground water contamination receiving testimony from State officials who manage ground water protection programs.

On July 16, 1985 the Subcommittee continued hearings on ground water contamination considering the Ground Water Protection Strategy of the Environmental Protection Agency.

On October 24, 1985 the Subcommittee continued hearings on ground water contamination receiving testimony from representatives of various industries and trade associations.

On November 14, 1985 the Subcommittee continued hearings on ground water contamination receiving the report of the National Ground Water Forum sponsored by the National Governors Association and the Conservation Foundation.

On December 10, 1985 the Subcommittee conducted a hearing to examine the environmental effects of global warming and atmospheric changes including ozone depletion.

On December 12, 1985 the Subcommittee concluded its series of oversight hearings on ground water contamination considering the impact of agricultural practices on ground water quality.

On May 15, 1986 the Subcommittee conducted a hearing on S. 2083 and S. 2300, bills to set standards for the identification and abatement of hazardous asbestos materials in buildings including school buildings.

On May 16, 1986 the Subcommittee conducted an oversight hearing on the government-approved release of genetically-engineered organisms.

On September 9, 1986 the Subcommittee conducted a hearing on proposed amendments to the Federal Insecticide, Fungicide and Rodenticide Act focusing on provisions with respect to pesticide contamination of ground water resources and protection of drinking water supplies.

Business Meeting

The Subcommittee on Toxic Substances and Environmental Oversight held one business meeting during the 99th Congress on June 19, 1986 to consider and report S. 2083, a bill providing for the identification and abatement of asbestos hazards in the Nation's schools.

SUBCOMMITTEE ON REGIONAL AND COMMUNITY DEVELOPMENT

Disaster Relief

In May of 1986, the Federal Emergency Management Agency (FEMA) issued draft regulations which would increase the non-Federal cost-sharing requirements of the disaster relief program to 50 percent on the average. Since 1980, as a matter of administrative policy, non-Federal interests have been required to bear 25 percent of the cost of repair or replacement of public facilities and debris removal, the Federal Government has borne 75 percent of the cost of these activities.

In the last two Congresses, the Committee reported, and the Senate passed, comprehensive amendments to the Disaster Relief Act, which included a statutorily-sanctioned formula of 25 percent non-Federal and 75 percent Federal cost sharing. The House did not act on this legislation in either Congress. To disallow promulgation of the new rules, the Senate passed substantially the same provisions in the second session of the 99th Congress as an amendment to S. 2405, the Federal-Aid Highway Act of 1986. That bill failed in conference. In addition, the measure was substituted for H.R. 5488, a stopgap bill to temporarily prevent promulgation of the new rule-making. However, the House did not accept this bill as amended.

Finally, the Senate added disaster relief amendments to S. 2125, a bill to provide assistance to States to help restore highways damaged by disasters. This bill, too, was not passed by the House. The Congress ended without a change in the Disaster Relief Act. However, language was added to the resolution for Continuing Appropriations for fiscal year 1987 (H.J. Res. 738) which prohibits implementation of the proposed regulations increasing non-Federal cost-sharing requirements during the coming year.

In addition to addressing Federal and non-Federal cost sharing, the Senate amendments would make a number of the other significant revisions to the Disaster Relief Act. For example, the measure would provide, for the first time, a program of hazard mitigation at FEMA. It would give greater flexibility to State and local governments to choose the types of facilities that would be replaced following a disaster. It would expand the so-called "small project grant" provisions of current law, double the federal matching grant to States for preparedness planning, and increase the Individual and Family Grant by up to 50 percent. Unemployment assistance under the Disaster Relief Act would be made consistent with unemployment compensation laws administered by the Department of Labor. It would also clarify that disaster assistance to individuals shall not be counted as income for the purposes of determining eligibility for welfare or other means-tested programs. It would also authorize the Attorney General to bring suit to recover costs from parties whose acts cause a disaster or emergency. In addition, State and local governments would be required to subscribe to flood insurance following a disaster -- where insurance is available at reasonable rates -- in order to be eligible for Federal assistance in subsequent disasters. The measure also would strengthen existing authorities on criminal and civil penalties, and it would add specific authority and requirements for audits and investigations.

Hearings

During the 99th Congress the Subcommittee on Regional and Community Development held three days of hearings (July 15, 16 and 30, 1985) to review the policies and programs of the Tennessee Valley Authority.

REPORT TO THE SENATE ON THE ACTIVITIES OF THE COMMITTEE ON FOREIGN RELATIONS FOR THE NINETY-NINTH CONGRESS

The 99th Session of Congress ushered in a new era in the Foreign Relations Committee. Under the chairmanship of Senator Richard G. Lugar (R-IN) the Committee worked diligently to reestablish the Foreign Relations Committee as the preeminent forum to initiate debate of key issues affecting United States foreign and national security policy.

During the early months of the first session of the 99th Congress the Committee conducted a sweeping series of eleven hearings to review the commitments and direction of U.S. foreign policy. Witnesses for this series included Secretary of State George Shultz, three former Secretaries of State, Secretary of Defense Casper Weinberger, eminent arms control negotiators, several former National Security Advisors, and academicians from various fields of study in foreign policy.

Following the Committee's overview of U.S. foreign policy, the Committee evaluated America's involvement in the global economy, focusing particular attention on the United States' role in stimulating and sustaining global economic growth in a climate of protectionism and growing trade deficits. A separate Committee hearing was held on barriers to U.S. exports of aluminum to Japan.

The Committee then turned its attention to the Administration's Fiscal Year 1986 Foreign Assistance proposals and program authorizations. Most of the thirteen hearings were conducted by the various Subcommittees in order to give ample consideration to the regional importance and impact of the foreign assistance request. The foreign assistance authorization approved by the Committee and the full Senate and modified in Conference to cover Fiscal Years 1986 and 1987 was enacted into law later in August 1985 -- the first Foreign Assistance Authorization Act since 1981.

In May of 1985, the Foreign Relations Committee and the Judiciary Committee held a set of joint hearings to investigate the current state of terrorism and how terrorist and insurgent groups are increasingly involved in international drug trafficking and associated international violence.

Later that month, on May 21, the Committee approved The International Convention on the Prevention and Punishment of the Crime of Genocide. The Genocide Treaty, as it is commonly referred to, was adopted unanimously by the General Assembly of the United Nations in Paris in 1948 and had been pending before the Senate for 37 years. Later in the year, the Genocide Treaty was finally approved by the full Senate.

Throughout the first session of the 99th Congress the Committee conducted several hearings on the situation in Nicaragua and Central America. These hearings focused on the U.S. policy goals in the region and the implications such policy has on U.S. interests in the region.

A major issue in the Foreign Relations Committee during both the first and second sessions of the 99th Congress was U.S. policy towards South Africa. During the first session, the Committee conducted three hearings to address the growing concern over South Africa's denial of fundamental human rights to its majority black population. These hearings concluded with the Anti-Apartheid Action Act of 1985 which was approved by the Committee 16-1. The bill was designed not only to impose sanctions against the government of South Africa, but also to provide direct, tangible assistance to the victims of apartheid.

The Committee revisited the issue of South Africa in the second session of the 99th Congress and overwhelmingly approved the Comprehensive Anti-Apartheid Act of 1986. This Act, enacted by an override of a Presidential veto in October of 1986, prohibited U.S. loans, investments and certain other activities in South Africa. The 1986 bill also banned the importation of agricultural products; the importation of products produced by companies owned or controlled by the South African Government; and the importation of coal, iron, steel and uranium.

The Philippines became another major agenda item for the Foreign Relations Committee late in the first session and throughout the entire second session of the 99th Congress. Beginning in December of 1985, the Committee conducted hearings on the scheduled February 1986 Philippine Presidential elections.

Following the election, the Committee quickly addressed the urgent need for economic and military assistance to the Philippines in the post-Marcos crisis. This effort resulted in additional assistance -- mostly economic -- for the new Philippine government in a Supplemental Appropriation of $200 million in the Fiscal Year 1987 Continuing Resolution.

The Committee reported out a bill that revised the Arms Export Control Act and gave the Congress the authority to disapprove an arms sale request by passage of a Joint Resolution of Disapproval. This revised the previous procedure, declared unconstitutional by the U.S. Supreme Court, of disapproving an arms sale request by passing a Concurrent Resolution of Disapproval.

On July 16, 1985, the Committee conducted hearings on the Inman Report on Embassy Security to assess the security threat to U.S. personnel and installations around the world. These hearings continued into 1986 with Secretary of State George Shultz who testified before the Committee on February 4, 1986. Ultimately, the Committee authorized $2.4 billion for Fiscal Years 1986-1990 to upgrade security at U.S. embassies.

Throughout the 99th Congress, the Committee conducted hearings on the Administration's proposed sale of arms to Saudi Arabia, The People's Republic of China, and Jordan. Each proposed sale was vigorously debated in Committee and reported to the Senate floor for final disposition.

The Saudi arms sale, which included the sale of stinger missles, was disapproved by the Congress by a Joint Resolution of Disapproval. The President vetoed the Resolution, which was sustained in the Senate after the stinger missiles were deleted from the proposed package.

The proposed sale of advanced avionics to the People's Republic of China and the US-PRC Nuclear Cooperation Agreement were approved after extensive consideration in Committee and on the Floor.

The Jordan arms sale proposal was withdrawn from consideration because of intense opposition to the sale of stinger missles to Jordan.

The six subcommittees of the Foreign Relations Committee were extremely active throughout the entire 99th Congress. In addition to considering the Administration's Foreign Assistance request, the various subcommittees conducted a variety of hearings. For example, the European Affairs Subcommittee held a seven part series on the theme of, "Is NATO Still the Centerpiece of U.S. Foreign Policy? Should it Be?" Subjects addressed were: Soviet imperitives for the 1990s, Soviet active measures, the crisis of will in NATO and the Warsaw Pact, a NATO strategy for the 1990s. The European Affairs Subcommittee also held hearings on religious persecution behind the Iron Curtain, Romania's Most Favored Nation status, and Soviet policy in the wake of the 27th Soviet Party Congress, Gorbachev's first 18 months in power, and the Chernobyl nuclear accident.

Other hearings conducted by the Subcommittees included: the situation in Mexico and Panama, African debt crisis, US-Japan services trade, U.S. economic growth and the Third World debt problem, US trade relations with Taiwan and Korea, and oversight of the Agency for International Development.

The 99th Congress was a productive and successful time for the Committee on Foreign Relations. The Committee reported and approved 19 treaties, disapproved 3 treaties, and considered 16 other treaties. The Committee also reported 33 bills and joint resolutions of which 17 became Public Law. The Committee considered 206 nominations for Ambassadors and agency officials of which 181 were confirmed, 23 were returned to the President at the end of Congress and 2 were withdrawn.

During the 99th Congress, the Foreign Relations Committee successfully worked with the Executive Branch to forge a working consensus on the numerous issues of foriegn policy confronting the United States. This relationship between the Committee and the Executive Branch reestablishes the Foreign Relations Committee, and the Congress, as integral players in shaping the future of U.S. foreign policy.

Following is a summary of the Committee's activities during the session.

TREATIES

Treaties, unlike legislation, continue from one Congress to another until they are approved or rejected by the Senate or withdrawn or returned to the President. There were 38 treaties pending in the Foreign Relations Committee at the beginning of the 99th Congress. During the 99th Congress, 31 new treaties were submitted to the Senate; making a total of 69 treaties in Committee. Of these 69 treaties, 19 were reported and approved by the Senate; 3 were reported but not acted on by the Senate; and 16 other treaties were considered.

Treaties: Reported and approved (19)

Ex. O, 81-1, Convention on the Prevention and Punishment of the Crime on Genocide

Treaty Doc. 97-12, Inter-American Convention on Commercial Arbitration

T.D. 98-5, Two Protocols for the Further Extension of the International Wheat Agreement

T.D. 98-9, United Nations Convention on Contracts for the International Sale of Goods

T.D. 98-27, Inter-American Convention on Letters Rogatory

T.D. 98-28, Convention with Italy with Respect to Taxes on Income

T.D. 98-29, Request for Withdrawal of Reservation to the Patent Cooperation Treaty

T.D. 98-30, Convention with China with Respect to Taxes on Income

T.D. 98-32, Convention with Cyprus with Respect to Taxes on Income

T.D. 99-2, Treaty with Canada concerning Pacific Salmon

T.D. 99-3, Convention with Barbados with Respect to Taxes on Income

T.D. 99-4, Protocol to International Convention for the Conservation of Atlantic Tunas

T.D. 99-6, International Telecommunication Convention

T.D. 99-8, Supplementary Extradition Treaty with the United Kingdom

T.D. 99-9, Vienna Convention for the Protection of the Ozone Layer

T.D. 99-11, Hague Convention on the Civil Aspects of International Child Abduction

T.D. 99-26, Protocol to Convention with China with Respect to Taxes on Income

T.D. 99-28, Convention on Wetlands of International Importance Especially as Waterfowl Habitat

T.D. 99-31, Treaty with Iceland to Facilitate Their Defense Relationship

Treaties: Reported, not approved (3)

Ex. Q, 96-2, Convention with Denmark with Respect to Taxes on Income

T.D. 98-12, Protocol to Convention with Denmark with Respect to Taxes on Income

T.D. 99-12, Two Protocols Amending International Convention on Civil Liability for Oil Pollution Damage and the International Fund for Compensation for Oil Pollution Damage

Other treaties considered (16)

Ex. L, 92-1, Vienna Convention on the Law of Treaties
Ex. Y, 96-1, Treaty with Soviet Union on Limitation of Strategic Offensive Arms and Protocol
T.D. 97-15, Supplementary Convention on Extradition with Sweden
T.D. 98-10, Amendment to Convention on International Trade in Endangered Species of Wild Fauna and Flora
T.D. 99-5, Protocol Amending the Interim Convention on Conservation of North Pacific Fur Seals with Canada, Japan and the Soviet Union
T.D. 99-14, Investment Treaty with Panama
T.D. 99-15, Investment Treaty with Senegal
T.D. 99-16, Investment Treaty with Haiti
T.D. 99-17, Investment Treaty with Zaire
T.D. 99-18, Investment Treaty with Morocco
T.D. 99-19, Investment Treaty with Turkey
T.D. 99-22, Investment Treaty with Cameroon
T.D. 99-23, Investment Treaty with Bangladesh
T.D. 99-24, Investment Treaty with Egypt
T.D. 99-25, Investment Treaty with Grenada
T.D. 99-30, Convention with United Kingdom on behalf of Bermuda on Tax Matters

LEGISLATION

Bills and joint resolutions: Reported (33); Public Laws (17)

There was a total of 131 bills and joint resolutions referred to the Committee; 23 were reported, and an additional 10 original measures were reported; of these 33 reported, 17 became Public Law. In addition, there were 13 bills or joint resolutions which became Public Law but were not officially referred to the Committee, but were companion measures to legislation considered by the Committee or would have been under the Committee's jurisdiction.

S. 457, Assistance to alleviate human suffering in Sub-Saharan Africa (H.R. 1096, companion bill, was vetoed by the President)

S. 684, U.S. participation in International Bank for Reconstruction and Development, the International Finance Corporation, and African Development Fund (Provisions included in continuing resolution)

S. 947, With respect to activities of Overseas Private Investment Corporation (Became Public Law 99-204)

S. 960, Original bill authorizing appropriations for international security and development assistance, Peace Corps, Inter-American Foundation, African Development Foundation (Became Public Law 99-83)

S. 995, Opposition to apartheid policies of South Africa (H.R. 1460 passed, but conference report not agreed to)

S. 998, Original bill imposing economic sanctions against South Africa within two years (No Senate action)

S. 1003, Original bill authorizing appropriations for State Department, U. S. Information Agency, Board for International Broadcasting, and National Endowment for Democracy (H.R. 2068, companion bill, became Public Law 99-93)

S. 1132, Original bill authorizing appropriations for Arms Control and Disarmament Agency (Provisions included in S. 1003)

S. 1166, Adjudication of certain claims of U.S. nationals against Iran (Provisions included in S. 1003)

S. 1308, Supplemental economic assistance for Jordan (Provisions included in supplemental appropriations bill)

S. 1828, Implementing Inter-American Convention on International Commercial Arbitration (Passed Senate)

S. 1831, Requiring congressional vetoes of certain arms export proposals be enacted into law (Became Public Law 99-247)

S. 1915, Original bill providing assistance to combat terrorism in Central American countries (No Senate action)

S. 1917, Providing assistance to promote immunization and oral rehydration (Became Public Law)

S. 2048, Encouraging international efforts to designate R.M.S. Titanic a memorial (Became Public Law 99-513)

S. 2538, Authorizing U.S. distribution of USIA film, "The March" (H.R. 4985, companion bill, became Public Law 99-369)

S. 2572, Original bill providing economic support for United Kingdom-Irish agreement (H.R. 4329, companion bill, became Public Law 99-415)

S. 2610, Original bill authorizing supplemental assistance to the Philippines (Provisions included in continuing resolution)

S. 2701, Providing U.S. policy in opposition to apartheid in South Africa (H.R. 4868, companion bill, was vetoed by the President, but was overrode by Congress and became Public Law 99-440)

H.R. 2957, To protect tropical forests in developing countries (Amended and passed Senate)

H.R. 2958, To protect biological diversity in developing countries (Amended and passed Senate)

H.R. 4151, To provide diplomatic security and combat international terrorism (Became Public Law 99-399)

H.R. 5522, Authorizing release to U.S. museums certain objects owned by USIA (Became Public Law 99-475)

S.J.Res. 98, Condemning passage of United Nations Resolution 3379 (Became Public Law 99-90)

S.J.Res. 161, To appeal for the release of Soviet Jewry (Became Public Law 99-81)

S.J.Res. 177, Relating to an International Space Year in 1992 (Passed Senate, referred to House)

S.J.Res. 227, Original joint resolution commending Switzerland on the occasion of meeting of leaders of United States and the Soviet Union (Became Public Law 99-144)

S.J.Res. 238, Original joint resolution relating to the proposed agreement for nuclear cooperation with China (Became Public Law 99-183)

S.J.Res. 240, Opposing Soviet Union's invasion and occupation of Afghanistan (Passed Senate; amended and passed House)

S.J.Res. 316, Prohibiting the sale to Saudi Arabia of certain defense articles (Vetoed by President; veto sustained)

S.J.Res. 331, Prohibiting proposed sale of integrated avionics system kits to China (Reported unfavorably; no Senate action)

S.J.Res 422, Original joint resolution commemorating the 100th anniversary of the birth of David Ben-Gurion (Became Public Law)

H.J.Res. 67, Calling for a wildlife sanctuary for humpback whales in the West Indies (Became Public Law)

Other legislation which became Public Law (13)

S. 592, Providing for the chairmanship of the Commission on Security and Cooperation in Europe to rotate between Senate and House Members (Became Public Law 99-7, without referral to Committee)

S. 689, Authorizing appropriations for famine relief in Africa (Became Public Law 99-8, without referral to Committee)

S. 1726, Repealing section of International Security and Development Cooperation Act which relates to funding for the Special Defense Acquisition Fund (Became Public Law 99-139)

S. 1918, Changing the date for transmittal of a report (Committee discharged; became Public Law 99-230)

H.R. 5506, Providing that the value of claims be based on the fair market value of the property taken (Became Public Law 99-451 , without referral to Committee)

S.J.Res. 180, Commemorating the 10th anniversary of the signing of Helsinki Final Act (Became Public Law 99-79, without referral to Committee)

S.J.Res. 228, Relating to the proposed sales of arms to Jordan (Became Public Law 99-162, without referral to Committee)

S.J.Res. 365, Welcoming the Afghan Alliance (Became Public Law 99-354 without referral to Committee)

S.J.Res. 427, Sympathy with people of El Salvador following the devastating earthquake of October 10, 1986. (Became Public Law 99- without referral to Committee)

H.J.Res. 394, Reaffirming solidarity with Mexican people following earthquake of September 19, 1985 (Became Public Law 99-116, without referral to Committee)

H.J.Res. 459, Reaffirming friendship with Colombian people following volcanic eruption of November 13, 1985 (Became Public Law 99-174, without referral to Committee)

H.J.Res. 630, Designating the College of William and Mary as U. S. representatives to Glorious Revolution (Became Public Law 99-393, without referral to Committee; S.Res. 404, similar measure, was agreed to)

H.J.Res. 756, Technical corrections to H.R. 4868, Anti-Apartheid Act (Became Public Law)

Concurrent and simple resolutions: Reported (23); Agreed to (14)

A total of 122 concurrent and simple resolutions were referred to the Foreign Relations Committee; 12 were reported; an additional 11 original resolutions were reported; 14 were agreed to. In addition, there were 28 measures agreed to without referral to Committee which would have been under the Committee's jurisdiction.

S.Con.Res. 46, Regarding Americans missing in Southeast Asia (Agreed to in Senate and House)

S.Con.Res. 76, To bring rights of Polish people to the attention of the Soviet Government (Agreed to in Senate)

S.Con.Res. 82, Original concurrent resolution expressing support for Chile's National Accord for the Transition to Full Democracy (No Senate action)

S.Con.Res. 87, Original concurrent resolution with respect to the restoration of democracy in the Philippines (H.Con.Res. 232, companion measure, was agreed to in Senate without referral to Committee)

S.Con.Res. 93, Original concurrent resolution commending Ireland and the United Kingdom for reaching agreement for a peaceful solution to the problems of Northern Ireland (H.Con.Res. 239, companion measure, was agreed to in Senate without referral to Committee)

S.Con.Res. 143, On the resumption of the U.N. High Commissioner for Refugees Orderly Departure Program for Vietnam (Agreed to in Senate and House)

S.Con.Res. 154, Concerning the Soviet Union's persecution of members of the Ukrainian and other public Helsinki Monitoring Groups (H.Con.Res. 332, companion measure, agreed to without referral to Committee)

H.Con.Res. 325, Commending government and people of Berlin for their commemoration of the 50th anniversary of Jesse Owens' victories at the 1936 Berlin Olympic games (Agreed to in House and Senate)

H.Con.Res. 326, On the existence of the Berlin Wall after 25 years and on Berliners' courage and devotion to freedom (Agreed to in House and Senate)

S.Res. 68, Congratulating people of Cyprus on the 25th anniversary of their independence (Agreed to)

S.Res. 73, Original budget waiver resolution with respect to S. 457 (Agreed to)

S.Res. 80, Original resolution authorizing expenditures for the Foreign Relations Committee (Agreed to S.Res. 145)

S.Res. 158, Original resolution authorizing printing of Committee print as a Senate document (See S. Res. 244)
S.Res. 161, Original budget waiver resolution with respect to S. 1132 (Indefinitely postponed)
S.Res. 185, To promote emigration from Cuba (Agreed to)
S.Res. 227, Urging a joint United States-Soviet effort to achieve worldwide disease immunization by 1990 (Agreed to)
S.Res. 237, Concerning the Soviet presence in Afghanistan (Agreed to)
S.Res. 244, Original resolution authorizing printing of Committee print as a Senate document (Agreed to)
S.Res. 268, Original budget waiver resolution with respect to S. 1915 (No Senate action)
S.Res. 271, Original resolution regarding the furnishing of assistance for Liberia (Agreed to)
S.Res. 302, Original resolution authorizing expenditures for the Foreign Relations Committee (Agreed to S. Res. 353)
S.Res. 404, Designating the College of William and Mary as the official U.S. representative to the Tercentenary Celebration of the Glorious Revolution (Agreed to)
S.Res. 454, Urging full restoration in Eastern Europe of the Byzantine Rite Catholic Church (Agreed to)

Other legislation agreed to without referral to Committee (28)

S.Con.Res. 48, Relating to death of President-elect Neves of Brazil
S.Con.Res. 50, Welcoming President of Tunisia
S.Con.Res. 62, Expressing solidarity with the Sakharov family
S.Con.Res. 67, Relating to humanitarian response to earthquake in Mexico City
S.Con.Res. 89, Relating to emergency humanitarian assistance to Colombia
S.Con.Res. 161, Technical correction in the enrollment of H.R. 4329
H.Con.Res. 142, Welcoming Prime Minister of India
H.Con.Res. 232, With respect to restoration of democracy in the Philippines
H.Con.Res. 239, Commending Ireland and United Kingdom for reaching agreement to problems of Northern Ireland
H.Con.Res. 332, Concerning the Soviet Union's persecution of members of the Ukrainian and oother Helsinki Monitoring Groups
H.Con.Res. 391, Calling on Soviet Union, Poland and Czechoslovakia to cease interference to Voice of America and RFE/RL broadcasts
H.Con.Res. 404, Providing for the emigration of Naum Meiman and Inna Kitrosskaya-Meiman from the Soviet Union
S. Res. 19, Regarding meeting in Geneva with Secretary of State and Soviet Foreign Minister
S.Res. 86, Relating to bipartisan group of Senators as observers at Arms Reduction Negotiations
S. Res. 143, Urging reassessment of President's West German trip itinerary
S.Res, 149, To condemn actions of Sandinista regime in Nicaragua
S.Res. 155, To condemn actions of Ethiopian Government
S.Res. 219, Condemning the kidnaping of President Duarte's daughter
S.Res. 257, Relating to Summit Meeting at Geneva, November 1985
S.Res. 283, Relating to Senate observers to arms negotiations
S.Res. 328, On importance of international observer delegations during Philippine election
S.Res. 345, Relating to widespread fraud in Philippine elections

S.Res. 347, Regarding further amendment to Genocide convention
S.Res. 351, Concerning U.S. policy toward the new Philippine Government
S.Res. 486, Relating to arrest of U.S. correspondent Nicholas Daniloff
S.Res. 487, Condemning acts of terrorism in Pakistan and Turkey
S.Res. 490, Welcoming President of the Philippines
S.Res. 502, Supporting priority items on President's agenda at pre-summit meeting, October 1986

NOMINATIONS

Ambassadors and agency officials:		
Referred		206
Ambassadors (country)	97	
Rank of ambassador	13	
State Department officials	19	
Other agency officials	55	
International organizations	22	
	206	
Reported/confirmed		181
Returned to President at end of Congress		23
Withdrawn		2
Representatives to conferences:		
Referred		31
Confirmed		31
Foreign Service:		
Promotions referred		2,073
Promotions confirmed		2,073
Career minister promotions referred		2
Career minister promotions confirmed		1
Returned to President at end of Congress		1

MEETINGS

The open and executive (indicated with *) meetings of the full committee are as follows:

Jan. 17, 1985--Famine in Africa.
Jan. 31, Feb. 4, 5, 6, and 7, 1985--Outlines of American foreign policy.
Feb. 20, 1985--U.S.-Soviet relations and arms control.
Feb. 21, 1985--Committee business.
*Feb. 22, 1985--Trends in Soviet strategic and foreign policy.
Feb. 22, 1985--Treaty Doc. 99-2, Pacific Salmon Treaty.
Feb. 25 and 26, 1985--Soviet-American relations and arms control.
Feb. 27 and 28, 1985--US in a global economy.
Feb. 28, 1985--Committee business.
Mar. 5, 1985--Ex. O, 81-1, Genocide Convention.
Mar. 15, 1985--Authorization for international security and development assistance (S.660) and for State Department (S.659)
*Mar. 19, 19985--Situation in Nicaragua.
Mar. 20, 1985--S.660, authorization for international security and development assistance.
Mar. 25, 1985--Nomination.
Mar. 26, 1985--Committee business.
Mar. 26 and 27, 1986--Mark up of S. 660.
Mar. 28, 1985--S. 659, State Department authorization.
Mar. 29, 1985--S. 496, Board for International Broadcasting and S. 785, National Endowment for Democracy authorizations
Apr. 1, 1985--S. 785, USIA authorization.
Apr. 2, 1985--Mark up of State, USIA, ACDA, BIB and multinational bank authorizations

(more)

Apr. 2, 1985--Committee business.
Apr. 16, 1985--American foreign policy focusing on multilateral diplomacy.
Apr. 19, 1985--Situation in Central America.
Apr. 24 and May 2, 1985--U.S. policy toward South Africa.
Apr. 25, 1985--Considered Genocide convention and other Committee business
May 1, 1985--Nomination.
May 2, 1985--U.S. policy toward South Africa (included pending legislation).
*May 6, 1985--Off-the-record briefing on review of initial round of Geneva arms control negotiations.
May 7, 1985--Committee business.
May 7, 8 and 9, 1985--Nominations.
May 13, 14 and 15, 1985--International terrorism, insurgency and drug trafficking. Joint hearings with Judiciary Committee.
May 20, 1985--S. 771 and S. 1166, Iranian claims.
May 21, 1985--Considered Genocide convention.
May 22, 1985--U.S. policy toward South Africa.
May 23, 1985--Nominations.
June 4, 1985--Committee business.
*June 5, 1985--Off-the-record briefing on the Philippines.
June 12, 1985--Nominations.
June 13, 1985--Treaty Doc. 99-5, North Pacific fur seal treaty.
June 17 and 18, 1985--Nominations.
June 18, 1985--Committee business.
June 19, 1985--S. 1308, economic assistance to Jordan.
June 19, 20 and 21, 1985--Nominations.
June 20 and 25, 1985--Committee business.
June 25 and 26, 1985--Nominations.
June 27, 1985--Committee business.
July 16 and 17, 1985--Nominations.
July 16 and *17, 1985--Embassy security.
July 17, 1985--Committee business.
July 23, 24 and 25, 1985--Nominations.
July 30, 1985--Tax treaties (Ex.Q, 96-2, Treaty Docs. 98-12, 98-28, 98-30, 98-32 and 99-3).
July 30, 1985--Committee business.
Aug. 1, 1985--Treaty Doc. 99-8, US-UK extradition treaty.
Aug. 1, 1985--Committee business.
Sept. 11, 1985--International narcotics control.
Sept. 18, 1985--Treaty Doc. 99-8, US-UK extradition treaty.
Sept. 23, 1985--Nomination.
Sept. 24, 1985--Committee business.
Sept. 26, 1985--Financing Foreign Military Sales.
Sept. 30 and Oct. 1, 1985--Nominations.
Oct. 1, 1985--Committee business.
Oct. *8, and 9, 1985--Nuclear agreement with China.
Oct. 10, 1985--Proposed arms sale to Jordan (S.J.Res. 204).
Oct. 10, 1985--Nominations.
Oct. 16, 1985--Trade barriers to U.S. exports.
Oct. 16 and 17, 1985--Nominations.
Oct. 22, 1985--Treaty Doc. 99-8, US-UK extradition treaty
Oct. 23, 1985--Recent developments in international finance and debt.
*Oct. 23, 1985--Informal discussion on arms sales to Jordan
Oct. 23, 1985--Committee business.
Oct. 30, 1895--U. S. policy toward the Philippines.
Oct. 31 and Nov. 7, 1985--Nuclear strategy, ballistic missile defense and arms control.
Nov. 5, 1985--S. 1757, Central American counter terrorism proposals.
Nov. 7, 1985--Nominations.

*Nov. 8, 1985--Nuclear agreement with China.
Nov. 12, 1985--Nuclear strategy, ballistic missile defense and arms control.
Nov. 13, 1985--Committee business.
Nov. 14, 1985--Religious persecution behind the Iron Curtain.
Nov. 14, 1985--Nominations.
Nov. *18, and 19, 1985--Central American counter terrorism proposals
*Nov. 19, 1985--Off-the record briefing on Senator Laxalt's trip to the Philippines.
Nov. 20, 1985--Committee business.
Nov. 20 and 21, 1985--Nominations.
Dec. 4, 1985--International Court of Justice (S.Con.Res. 77).
Dec. 4, 1985--Committee business.
Dec. 5, 1985--Mark up of S. 1757, Central American counter terrorism
Dec. 5 and 10, 1985--Nominations.
Dec. 11, 1985--Committee business.
Dec. 18, 1985--Preparation for February 1986 Philippine presidential election.
Jan. 23, 1986--Philippine presidential election.
*Jan. 24, 1986--FBI officials on covert operations in the United States
Jan. 28, 1986--Committee business.
*Jan. 29, 1986--Informal briefing on impact of Gramm-Rudman on international affairs programs.
Jan. 29, 1986--Nomination.
*Jan. 30, 1986--CIA and State officials on U.S. policy toward Angola (including S. 1972, S. 2021, and S. Res. 280).
Feb. 3, 1986--Nominations.
Feb. 4, 1986--S. 2015, diplomatic security act.
Feb. 18, 1986--U.S. policy toward Angola.
Feb. 19, 1986--Nominations.
Feb. 27, 1986--U.S. policy toward Nicaragua; Aid to Nicaragua resistance proposal (S.J.Res. 283).
Feb. 27, 1986--Committee business.
Mar. 4, 1986--U.S. policy toward Nicaragua (S.J.Res. 283).
Mar. 5, 1986--Nominations.
*Mar. 6, 1986--Informal off-the-record discussion on Nicaragua.
Mar. 6, 1986--Current situation in Ethiopia.
Mar. 18, 1986--International Trade in Endangered Species (Treaty Doc. 98-10); Conservation of Atlantic Tunas (T.D. 99-4); and Protection of Ozone Layer (T.D. 99-9).
Mar. 19, 1986--Biological diversity and tropical deforestation (S. 1747 and S. 1748).
Apr. 10, 1986--U.S. foreign assistance program and aid to Ireland (S. 2139 and S. 2149).
Apr. 10 and 16, 1986--Committee business.
Apr. 17, 1986--Arms relationship with Saudi Arabia
Apr. 21, 22, 23 and 24, 1986--Oversight of Agency for International Development.
Apr. 23, 1986--Committee business.
Apr. 29, 1986--S.J.Res. 331, prohibiting proposed sale of integrated avionics components to China.
Apr. 29, 1986--Nomination.
Apr. 30, 1986--S. 2015 and H.R. 4151, providing for diplomatic security.
May 1, 1986--Committee business.
May 5, 1986--Nominations.
May 7, 1986--Terrorism legislation.

May 8, 1986--Nuclear testing issues and legislation.
May 14, 1986--Committee business.
May 15, 1986--Treaty Doc. 99-12, protocols on oil pollution.
May 20, 1986--Economic Summit, Latin debt and the Baker plan.
*May 20, 1986--Current situation in Liberia.
June 3, 1986--S. 2378, supplemental assistance to the Philippines.
June 10, 1986--Nomination.
June 11, 1986--Private law treaties and implementing legislation.
June 12, 1986--Committee business.
June 18, 1986--Nominations.
June 19 and 26, 1986--Nuclear testing issues and legislation.
*June 25, 1986--Central America.
June 26, 1986--Committee business.
July 22, 23, 24 and 29, 1986--Situation in South Africa.
July 28, 1986--Nominations.
*July 29, 1986--Informal off-the-record discussion on sanction proposals against South Africa.
Aug. 1, 1986--Mark-up of S. 2701, anti-apartheid act and other Committee business.
Aug. 4 and 6, 1986--Nominations.
Aug. 11, 1986--Investment treaties.
Aug. 12, 1986--Nominations.
Sept. 9, 1986--Nomination and Committee business.
Sept. 16, 17, 18 and 22, 1986--Nominations.
Sept. 23 and 25, 1986--Committee business.
Sept. 25, 1986--Treaty Doc. 99-30, Bermuda tax treaty.
Sept. 25, 29 and 30, 1986--Nominations.
Sept. 30, 1986--Committee business.
Sept. 30, 1986--Treaty Doc. 99-31, US-Icelandic treaty on the carriage of military cargo.
Oct. 6, 1986--Nominations.
Oct, 8, 1986--Committee business.
*Oct. 10, 1986--Downing of plane in Nicaragua.

Subcommittee Hearings

Mar. 12, 1985--Subcommittee on International Economic Policy, Oceans, and Environment. Multilateral development banking legislation.
Mar. 21, 1985--Subcommittee on Near Eastern and South Asian Affairs. S. 660, foreign assistance.
Mar. 21, 1985--Subcommittee on East Asian and Pacific Affairs. S. 660, foreign assistance.
Mar. 22, 1985--Subcommittee on African Affairs. S. 660, foreign assistance.
Mar. 22, 1985--Subcommittee on European Affairs. S. 660, foreign assistance.
Mar. 26, 1985--Subcommittee on Western Hemisphere Affairs. S. 660, foreign assistance (printed).
Apr. 1, 1985--Subcommittee on European Affairs. Nomination.
July 18, 1985--Subcommittee on East Asian and Pacific Affairs. US-Japan services trade.
July 25, 1985--Committee on International Economic Policy. S. 947, OPIC authorization.
July 29, 1985--Subcommittee on African Affairs. Nominations.
July 30, 1985--Subcommittee on East Asian and Pacific Affairs. Nomination.
July 31, 1985--Subcommittee on East Asian and Pacific Affairs. US-Japan services trade.

July 31, 1985--Subcommittee on Near Eastern and South Asian Affairs. Nominations.
July 31, 1985--Subcommittee on European Affairs. Nomination.
Sept. 12, 1985--Subcommittee on European Affairs. Soviet imperatives for the 1990s
Sept. 13, 1985--Subcommittee on European Affairs. Soviet active measures.
Sept. 19, 1985--Subcommittee on European Affairs. Crisis of will in the Warsaw Pact and NATO Alliance.
Sept. 20, 1985--Subcommittee on Near Eastern and South Asian Affairs. Review of Middle East arms sales.
Sept. 26, 1985--Subcommittee on International Economic Policy. GAO report on GATT.
Oct. 3, 1985--Subcommittee on European Affairs. Review of NATO.
Oct. 9 and 10, 1986--Subcommittee on International Economic Policy. U.S. economic growth and the third world debt problem.
Oct. 24, 1985--Subcommittee on African Affairs. African debt crisis.
Dec. 10, 1985--Subcommittee on African Affairs. Liberia and US policy.
Feb. 26, 1986--Subcommittee on European Affairs. Most-favored-nation status to Romania.
Mar. 7, 1986--Subcommittee on European Affairs. Nomination.
Mar. 10, 1986--Subcommittee on Western Hemisphere Affairs. Current situation in Panama.
Apr. 21, 1986--Subcommittee on Western Hemisphere Affairs. Current situation in Panama.
*May 7, 1986--Subcommittee on Western Hemisphere Affairs. Situation in Panama.
May *12 and 13, 1986--Subcommittee on Western Hemisphere Affairs. Situation in Mexico.
June 5, 1986--Subcommittee on East Asian and Pacific Affairs. US-Japan services trade.
June 10, 1986--Subcommittees on Western Hemisphere Affairs and on International Economic Policy. Present state of economy of Mexico.
June 11, 1986--Subcommittee on African Affairs. Nominations.
June 17, 1986--Subcommittee on Western Hemipshere Affairs. Situation in Mexico.
*June 24, 1986--Subcommittee on European Affairs. Impact of Chernobyl nuclear power plant explosion.
June 26, 1986--Subcommittee on Western Hemisphere Affairs. Situation in Mexico.
Aug. 11, 1986--Subcommittee on International Economic Policy. Free trade and ideas.
Sept. 30, 1986--Subcommittee on East Asian and Pacific Affairs. Foreign driftnet fishing and marine mammal, bird and salmon management.
Sept. 30, 1986--Subcommittee on East Asian and Pacific Affairs. US trade relations with Taiwan and Korea.

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OVERVIEW

During the 99th Congress, the Senate Finance Committee worked on several major pieces of legislation, including a sweeping rewrite of the federal tax code. The Committee considered legislation relating to taxes, trade, health, income security programs and other issues within the Finance Committee's jurisdiction. The Committee also considered numerous executive nominations and held a number of oversight hearings.

MEASURES ENACTED INTO LAW

Tax Reform Act of 1986

Public Law 99-514. The Tax Reform Act of 1986 (H.R. 3838) is a sweeping overhaul of the federal income tax law. On the individual side, the Act greatly reduces marginal tax rates, provides tax relief to families and removes six million working poor from the tax rolls by almost doubling the personal exemption and greatly increasing the standard deduction. Overall, individuals will receive a tax cut of more than $120 billion over the next five years. Equally importantly, the Act closes numerous loopholes, shuts down tax shelters and eliminates preferences that have enabled some taxpayers to avoid paying their fair share of taxes.

On the corporate side, the Act significantly lowers the top corporate tax rate, repeals the investment tax credit, and includes a tough minimum tax that will ensure that all profitable companies will pay tax. The Act closes many loopholes and, in so doing, will greatly reduce the extent to which companies enter into transactions for tax reasons, instead of economic reasons.

H.R. 3838 was referred to the Finance Committee; it was significantly changed and reported out of Committee. A slightly amended version passed the Senate, and a conference agreement was reached.

Superfund Amendments and Reauthorization Act of 1986

Public Law 99-499. The Committee on Finance wrote legislation to fund the Comprehensive Environmental Response, Compensation and Liability Act of 1980, commonly known as Superfund. The bill will raise $8.5 billion through a combination of taxes on petroleum, feedstocks, and a broad-based tax on large corporations. The money will be used to clean up the nation's most dangerous hazardous waste dump sites.

Water Resources Development Act of 1986

Public Law 99-662. In the 2nd Session of the 99th Congress, the conference report on the Water Resources Development Act (H.R. 6) was adopted. This bill is the first major omnibus water resources authorization bill to be enacted into law since 1970.

The Committee on Finance handled the revenue provisions in the bill, which included the imposition of a new add valorem fee for the use of U.S. ports and a gradual increase in the rate of the barge fuel tax. The port use taxes will go into a newly-created trust fund, to be spent primarily for operations and maintenance of our ports and harbors. The additional barge fuel taxes will go into the existing Inland Waterways trust fund, to be used to pay costs associated with several new inland waterway construction projects.

Legislation Enacted to Increase the National Debt Limit

During the 99th Congress, the Finance Committee was responsible for legislation increasing the national debt limit.

In 1985, the Finance Committee worked on legislation (H.J. Res. 372) to increase the debt limit to $2,078.7 billion. When it was being considered in the Senate, many amendments to it were adopted, including the important legislation known for its sponsors as the "Gramm-Rudman-Hollings" amendment.

Under Gramm-Rudman, Congress and the President must act to reduce the size of the Federal deficit annually -- to $144 billion in fiscal year 1987, to $108 billion in fiscal year 1988, to $72 billion in fiscal year 1989 and to $36 billion in 1990 -- until the deficit is eliminated in fiscal year 1991.

While the Congress was working on H.J. Res. 372, it approved several temporary increases to the debt limit.

In 1986, the Finance Committee was involved in legislative action to increase the national debt limit on three separate occasions. The first piece of legislation (H.J. Res. 668), which would have increased the permanent debt limit to roughly $2,323 billion, passed the Senate in August with 26 amendments covering a broad range of topics, including the Gramm-Rudman-Hollings constitutional "fix". The House never appointed conferees, and so there was no further action of H.J. Res. 668.

To cover the government's short-term needs, the Senate passed H.R. 5395 immediately prior to the August recess. This legislation increased the permanent debt ceiling to $2,111 billion. This increase, however, was sufficient to finance the Federal government's activities only through September 30.

The final debt limit extension of 1986 was included in the budget reconciliation legislation (H.R. 5300). This legislation provides a temporary increase in the debt ceiling to $2,300 billion until May 15, 1987, after which time the debt ceiling reverts to the permanent level of $2,111 billion unless a new permanent debt limit extension has been enacted. H.R. 5300 also provides for the restoration to certain federal trust funds of lost interest and obligations due to any disruption in normal investment an redemption procedures as a result of the failure to extend the debt limit by September 30.

Omnibus Budget Reconciliation Act of 1986

Public Law 99-509. During the 2nd session of the 99th Congress, the Committee on Finance was centrally involved in the efforts of the Congress to reduce the deficit as required by the reconciliation instructions of the Congressional Budget Resolution. The Committee's revenue and spending provisions will reduce the deficit by about $8.3 billion during fiscal years 1987-1989. The Committee's actions involved virtually every area within its jurisdiction, including trade, Social Security, taxes, Medicare and Medicaid.

In addition to meeting its deficit reduction responsibility the Committee approved reforms in Medicaid, Medicare, and Social Security. These provisions include: eliminating the 3 percent cost of living adjustment (COLA) trigger for Social Security and related programs; reducing the 1987 Medicare hospital deductible to $520 and limiting its growth in future years; bringing Puerto Rico hospitals under Medicare's prospective payment system (PPS); providing more equitable PPS payments to rural hospitals; establishing new protections for Medicare hospital inpatients; liberalizing Medicare payments for home health services; expanding Medicare coverage for the services of certified registered nurse anesthetists, physician assistants, and occupational therapists; allowing states to provide Medicaid coverage to pregnant women and children with family incomes up to the federal poverty level; allowing ambulatory prenatal care to be provided under Medicaid to pregnant on an assumption of eligibility basis; allowing states to provide Medicaid coverage to elderly and disabled individuals with family incomes up to the federal poverty level; and making at-home respiratory care services to ventilator dependent individuals an optional Medicaid service. The Committee's provision to increase Maternal and Child Health program authorizations (reported as part of H.R. 1868) was also included in the bill.

In preparation for the Budget Reconciliation process, the Committee held numerous hearings on issues that were to be considered as part of the Omnibus Budget Reconciliation Act of 1986 (H.R. 5300).

Consolidated Omnibus Budget Reconciliation Act of 1985

Public Law 99-272. In support of efforts to reduce the deficit as required by the reconciliation instructions of the Congressional budget resolution for the 1st session of the 99th Congress, the Committee's contribution included a comprehensive package of savings and revenue raising provisions. The Committee was able to meet its deficit reduction target covering fiscal years 1986-1988. The

Committee's effort provided more than 50 percent of the deficit reductions sought by all the Committees in the reconciliation instructions.

Additionally, the Committee provided for needed program reforms by adopting more than 70 other provisions under the reconciliation act. These provisions include: establishing a Medicare payment adjustment to help hospitals meet the needs of the low-income patients; requiring the Secretary of HHS to adjust Medicare payment rates for sole community (rural) hospitals to accommodate the cost of new facilities or services; making permanent the hospice benefit under Medicare; improving access to skilled nursing facilities; establishing preventive health demonstration projects; allowing states to extend Medicaid coverage to certain pregnant women and children; granting greater flexibility to the states in providing home and community-based services to Medicaid eligibles; expanding Medicaid coverage of home respiratory services; and establishing hospice care as a new Medicaid benefit.

Employment Opportunities for Disable Americans Act

Public Law 99-643. In the area of income security, the Committee conducted a hearing on the Employment Opportunities for Disabled Americans Act, S. 2209. The Act provides special cash benefits and Medicaid coverage to certain disabled recipients of Supplemental Security Income (SSI) who work in spite of their disabling condition. It was considered and reported by the Committee. Its provisions were incorporated into H.R. 5595 which was passed by the Congress.

U.S.-Israel Free Trade Area Implementation Act of 1985

Public Law 99-47. The Committee considered and reported legislation (S. 1114) implementing a U.S.-Israel free trade agreement. The Senate passed without amendments, the implementing legislation that was passed by the House (H.R. 2268).

Modification of the Imputed Interest Rules

Public Law 99-121. The Finance Committee considered, amended, and reported H.R. 2475, a bill to improve the imputed interest rules enacted in 1984 relating to seller-financed installment sales. A conference report was signed by the President.

Repeal of the Contemperaneous Recordkeeping Rules

Public Law 99-44. The Committee reported S. 245, a bill to repeal the burdensome automobile recordkeeping requirements that were part of the Tax Reform Act of 1984. A similar House measure, H.R. 1869, was considered, amended, and passed by the Senate. A conference report was signed by the President.

Compact of Free Assocation

Public Law 99-239. S.J. Res. 77, relating to the Compact of Free Association between the United States and the governments of the Marshall Islands and the Federated States of Micronesia, was referred to the Finance Committee, where it was subsequently amended and reported.

This measure was incorporated into H.J. Res. 187 and then passed by the Senate. The Resolution approves the Compact, which sets the basis for termination of the United States Trusteeship over the islands and governs relations between the two governments and the United States in the post trusteeship period.

MEASURES CONSIDERED AND REPORTED

Highway Trust Fund Reauthorization

The Senate Finance Committee reported out a bill that provided for a four-year extension of the highway trust fund and highway-related taxes. These provisions were included as the revenue title of the omnibus highway bill (S. 2405/H.R. 3129). The legislation passed the Senate, but a conference agreement was never reached.

Medicare and Medicaid Patient and Protection Act

The Committee considered and reported H.R. 1868, a bill to protect the Medicare and Medicaid programs and beneficiaries from unfit practitioners. Based on testimoney provided at a hearing held in the first session of this Congress, the Committee modified H.R. 1868 to include several provisions from related Senate legislation, S. 837 and S. 1323.

In addition to the anti-fraud amendments made to H.R. 1868, the Committee also incorporated in that bill a number of amendments to provide for reform and expansion of the Medicare and Medicaid programs, and to authorize greater funding for the Maternal and Child Health program. These included: reforming the Medicare prospective payment system (PPS) for hospitals; including Puerto Rico hospitals under Medicare's PPS; centralizing coordination of quality evaluations under the Medicare program; expanding Medicare coverage to include psychologist's services in rural health care clinics, and physician assistant services in hospitals or skilled nursing facilities; additional funding for preventitive health care demonstration projects; improving the end-stage renal disease (ESRD) networks and program; implementing new rights for ESRD patients; improving quality requirements for transplant hospitals and organ procurement agencies; assuring Medicaid coverage for homeless individuals; improving Medicaid hospice benefit; establishing community care demonstration projects for the frail elderly; improving the quality of care requirements imposed on nursing facilities; and establishing new quality protections for nursing home patients. In addition, the Committee increased authorizations for the Maternal and Child Health program.

The Senate did not act on this bill prior to adjournment, but many of these provisions became law as part of Public Law 99-509 (H.R. 5300).

U.S.-Japan Trade Legislation

The Committee considered and reported a bill, S. 1404, that would require the President to respond to unfair trade practices by Japan. The Senate did not act on this prior to adjournment.

The Committee had earlier reported S. Con. Res. 15, a concurrent resolution calling on the President to take all appropriate action to obtain the elimination of unfair Japanese trade practices. The Senate approved this resolution.

OTHER FINANCE COMMITTEE ACTION

U.S.-Canada Free Trade Agreement

The Committee gave its approval to the President's request to enter into free-trade-agreement negotiations with Canada. Under the Trade Act of 1974 it is the responsibility of the Senate Finance and the House Ways and Means Committee to review the President's request to negotiate a trade agreement with Canada.

Manufacturing Clause

The Committee obtained sequential referral of S. 1822, which would have extended the so-called Manufacturing Clause. The Manufacturing Clause had for decades denied copyright protection to books not printed in the United States. A dispute settlement panel found the Clause to be contrary to the General Agreement on Tariffs and Trade, and to allow the Manufacturing Clause to expire. With the failure of the Senate to act on S. 1822, the Clause did expire.

Omnibus Trade Legislation

The Committee also held extensive hearings on internatinal trade policy in general and on numerous specific proposals to amend United States trade laws. During the 99th Congress, the full Committee and the International Trade Subcommittee held a total of 41 trade hearings. In the final weeks of the session, the Committee also began the markup process on major, omnibus trade legislation. Although Congress adjourned before markup was concluded, this will form a solid foundation for trade legislation considered next Congress.

NOMINATIONS

The Committee on Finance has the responsibility to act upon the nominations for positions in the following agencies: Department of the Treasury, Department of Health and Human Services, Department of Commerce, United States Trade Representative, International Trade Commission and the United States Tax Court.

During the 99th Congress, the Committee received many executive nominations. The following positions were approved by the Committee:

Department of the Treasury: Secretary; Deputy Secretary; Under Secretary for Domestic Finance; Assistant Secretaries for Economic Policy, Legislative Affairs, Enforcement and Operations, Management, Tax Policy (2), Domestic Finance; Commissioner of the Internal Revenue Service; General Counsel (Treasury); and Chief Counsel of the Internal Revenue Service.

Department of Health and Human Services: Secretary; Under Secretary; Commissioner of the Social Security Administration; Assistant Secretaries for Legislation, and Planning and Evaluation; Administrator of the Health Care Financing Administration and General Counsel (HHS).

Department of Commerce: Under Secretary for International Trade and Assistant Secretaries for Trade Administration, and International Economic Policy.

United States Trade Representatives: The United States Trade Representative and two Deputy United States Trade Representatives.

International Trade Commission: Two Commissioners.

United States Tax Court: Chief Judge and two Judges.

L0398

REPORT TO MAJORITY LEADER - 99th Congress/2nd Session

Governmental Affairs Committee
William V. Roth Jr., Chairman

In the second session of the 99th Congress, the Senate Governmental Affairs Committee pursued its agenda of completing many of the legislative activities begun during the first session of the Congress. These efforts included completing reform of the federal civil service retirement system, implementing the recommendations of the Grace Commission, promoting improved management of federal agency operations, and ongoing nominations.

LEGISLATIVE ACTIVITIES

During the 99th Congress, 236 bills--198 Senate and 38 House--were referred to the Governmental Affairs Committee for action. Of these, 20 became law, 19 were passed only by the Senate, and 9 were reported out of Committee but were not acted on by the Senate before the end of the session.

The following are short summaries of significant legislation considered by the Committee which: a) became law; b) were passed by the Senate and/or House; and c) were reported favorably by the Committee.

MEASURES ENACTED INTO LAW

S. 209: The Federal Debt Recovery Act of 1985

Senator D'Amato introduced S. 209 on January 21, 1985. This legislation authorizes contracts to retain the use of private counsel to provide collection services in cases of debts owed to the federal government.

The federal government loses millions of dollars each year because it has neither sufficient time or resources to pursue collection of debts owed it through programs such as low-interest student loans or Medicare and Medicaid. S. 209 permits federal agencies to seek the services of private counsel--through competitive contracting--in collecting these outstanding debts. Once an agency has contracted with private counsel, the agency head has the authority to refer all claims resulting from agency activities to that counsel.

S. 209 also requires the Attorney General to submit an annual report on Department of Justice debt collection activities. The bill also requires the Comptroller General to perform an annual audit of the actions taken by the Attorney General and the Justice Department to recover delinquent debts owed the government. The Comptroller General must also assess and report to the Congress on the status of federal agency efforts to competitively select counsel, reasonableness of retainer fees and the overall results of government collection efforts.

S. 209 was reported on March 7, 1986, and passed the Senate by a vote of 95-1 on March 19, 1986. The House passed the legislation on September 29, 1986, and S. 209 was signed into law on October 28, 1986 (Public Law 99-578).

H.R. 1349: The Presidential Libraries Maintenance Act

The 99th Congress is the fourth consecutive Congress in which legislation dealing with former Presidents has been introduced. Language identical to H.R. 1349, which is designed to reduce the costs of operating Presidential libraries, was originally included in S. 1047, the Senate Presidential Benefits measure. In the course of the legislative process, the provisions governing Presidential libraries were separated out of the Senate bill to facilitate negotiation in Congress.

This legislation establishes guidelines for the construction and operation of all future Presidential libraries. H.R. 1349 requires that 20 percent of a library's operating and maintenance costs be raised through an endowment fund prior to construction. The bill also limits the size of future Presidential libraries to 70,000 square feet. Any increase in size over that limit must be funded by an additional endowment.

H.R. 1349 was referred to the Governmental Affairs Committee on June 6, 1985. On March 7, 1986, the bill was reported to the Senate, and subsequently passed with amendments on March 21, 1986 by voice vote. The House agreed to the Senate amendments on May 13, 1986, and the President signed the bill into law on May 27, 1986 (Public Law 99-323).

H.R. 2672: The Federal Employees Retirement System Act of 1986

The Federal Employee Retirement System Act of 1986, which began initially as S. 1527, was introduced on July 30 by Chairman Roth and Senator Stevens. The bill establishes a comprehensive federal retirement plan to coordinate with Social Security, ensuring a fully funded and financially sound federal retirement program. Federal employees hired after January 1, 1984 are automatically covered under the new plan, while employees hired before this date will be given the option of joining the plan during a six-month window period beginning July 1, 1987. The new system is designed to enhance the portability of retirement assets earned by federal employees, provide options for retirement planning, encourage federal employees to increase their personal savings toward retirement, extend financial protection from disability, and build a quality workforce in the federal government.

In a strong bipartisan effort, S. 1527 was unanimously reported by the Governmental Affairs Committee on October 2, 1985. Upon consideration by the full Senate, H.R. 2672 was reported in lieu of S. 1527 and subsequently passed by a vote of 96-1 on November 7, 1985. The conference report was passed by the Senate under unanimous consent on May 20, 1986, followed by passage in the House on May 22, 1986. The measure was signed into law on June 6, 1986 (Public Law 99-335).

S. 2250: The Anti-Kickback Enforcement Act of 1986

Senator Levin introduced this legislation on March 26, 1986. The Anti-Kickback Enforcement Act of 1986 would strengthen the already-established prohibition of kickbacks in federal government contracts by subjecting subcontractors to the same requirements.

S. 2250 prohibits the payment or acceptance of kickbacks or attempted kickbacks, and any inclusion of kickback costs in contract expenses--either prime or subcontract--ultimately borne by the federal government. To discourage contractors from taking kickbacks, prime contracts must contain clauses requiring the contractor to follow reasonable procedures for preventing kickbacks and to cooperate fully with any federal kickback investigation. In addition, contractors must file annual reports listing all compensation received from subcontractors and report any kickback violations.

The Anti-Kickback Enforcement Act also strengthens the government's ability to deter kickback violations. S. 2250 provides for termination of any prime contract if a subcontractor commits a kickback violation, and stipulates that kickback costs may be recovered through administrative means. It also authorizes the contracting agency to inspect prime contractor facilities and records, access to which previously was afforded only to the General Accounting Office.

S. 2250 was reported on September 9, 1986, and passed by voice vote in the Senate on September 12. The House passed the bill with amendments on October 7, also by voice vote. The Senate concurred in those amendments on October 15, 1986, and the President signed S. 2250 into law on November 7, 1986 (Public Law 99-634).

S. 2630: The Department of Defense Transportation Bill Audit Improvement Act of 1986.

This legislation, introduced by Senator Roth on June 26, 1986, was developed as a measure to reduce the deficit and increase the economy and efficiency of government operations by strengthening the audit of Department of Defense transportation bills. S. 2630 establishes stronger requirements relating to the performance of these audits, and streamlines audit procedures in an attempt to eliminate the large audit backlog currently experienced by DoD in this area.

S. 2630 was reported by the Committee on September 25, 1986. While pending before the Senate, the language of S. 2630 was substituted in lieu of language in the House measure, H.R. 5420. The Senate passed H.R. 5420 on October 18, 1986. The President signed this measure into law on November 7, 1986 (Public Law 99-627).

H.R. 1534: Federal Flexitime Schedules

This legislation was referred to the Governmental Affairs Committee on May 22, 1985. The bill converts the temporary authority to allow federal employees to work on flexible or compressed work schedules to permanent authority. On July 11, 1985, the Committee reported H.R. 1534. The bill passed the Senate on December 11, 1985 and became law on December 23, 1985 (Public Law 99-196).

H.R. 3384/H.R. 4061: Federal Employees Health Benefits Refunds

H.R. 3384, a bill to include federal retirees in the group of individuals eligible for refunds under the Federal Employees Health Benefits Program (FEHBP), was referred to the Governmental Affairs Committee on October 1, 1985. The Committee reported this measure on December 6, and the Senate passed it on December 19.

Upon presentation to the President, H.R. 3384 was vetoed. A second version of the legislation, H.R. 4061, was introduced and successfully passed. H.R. 4061 was signed into law on February 27, 1986 (Public Law 99-251).

H.R. 2946: The District of Columbia Jury System Act

The Governmental Affairs Committee received H.R. 2946 on October 29, 1985. The purpose of this legislation is to establish an independent jury system for the Superior Court of the District of Columbia, thereby ensuring that all litigants before the court will have trial by a jury selected from a fair cross-section of District residents.

H.R. 2946 was reported by the Committee on September 23, 1986. It passed the Senate on October 18, 1986, and was signed by the President on November 14, 1986 (Public Law 99-650).

H.R. 3578: The District of Columbia Prosecutorial and Judicial Efficiency Act of 1985

This legislation, referred to the Governmental Affairs Committee on October 29, 1985, is an omnibus package which contains a number of administrative provisions affecting the District of Columbia courts. It provides permanent authority for hearing commissioners in the District of Columbia Courts and modifies certain procedures in the District of Columbia Judicial Nomination Commission and the District of Columbia Commission on Judicial Disabilities and Tenure.

H.R. 3578 was reported by the Committee on September 23, 1986, and passed the Senate on October 10, 1986. The legislation was signed by the President on October 28, 1986 (Public Law 99-573).

H.R. 3614: The Limousine Transportation Bill

This measure was received in the Senate for consideration on March 5, 1986. It restricts the funds available for the use of government vehicles to transport federal officials and employees from their residences to their places of employment.

H.R. 3614 was called up by the Senate and passed on October 10, 1986. The measure was signed into law on October 27, 1986 (Public Law 99-550).

MEASURES PASSED IN THE SENATE

S. 1047: Former Presidents Facilities and Services Reform Act of 1986.

S. 1047 was introduced by Senators Roth and Chiles on May 1, 1985. Initially, this legislation contained three sections, providing for reductions in office and staff allowances and Secret Service protection afforded to former Chief Executives, as well as the establishment of guidelines pertaining to the size and maintenance of all future Presidential libraries. The Presidential libraries section was reported on October 2, 1985, after H.R. 1349 was substituted for libraries section of the Senate bill. (See H.R. 1349 under this section.)

In S. 1047, the allowance given to former Presidents for staff, office and travel expenses is capped at $300,000 per year for the first five years after the President leaves office, and reduced to $200,000 each year thereafter. Secret Service protection--formerly round-the-clock for the President and his immediate family for the remainder of the President's life--was scaled down to five years after leaving office. The bill allows the Secretary of the Treasury to make exceptions to this provision in the case of a threat to a former Chief Executive.

The remaining two sections of S. 1047 were ordered reported by the Committee on November 19, 1985. The bill passed the Senate on August 15, 1986 by voice vote.

S. 2004: The Government Management Report Act of 1986

On January 22, 1986, Senator Roth, with Senators Eagleton and Chiles as cosponsors, introduced S. 2004, legislation to require the President to submit to Congress an annual report on efforts planned and undertaken to improve the management of federal executive branch operations. This report would be submitted along with the President's annual budget.

The proposed management report would include an overview of general management improvement goals, both past and current, an examination of major management issues, proposals for legislative or other action to improve management throughout the executive branch, and summaries of each significant management policy adopted or planned for the current year or the fiscal year for which the budget is requested.

Within 90 days after the President submits this report, the Comptroller General will prepare an analysis of the report, which may or may not include additional recommendations for improving federal executive operations, including modification or repeal of statutory impediments to efficient and effective management.

S. 2004 was reported by the Committee on July 31, 1986. The Senate passed the legislation on October 9, 1986.

S. 2005: The Small Agency Audit Improvement Act of 1986

This legislation, designed to strengthen and consolidate internal audit and investigative efforts within federal agencies, was introduced on January 22, 1986 by Chairman Roth and Ranking Minority Member Eagleton.

Specifically, S. 2005 amends the Inspector General Act of 1978 to extend significant statutory protections and requirements to audit and investigative units of approximately 40 federal agencies, boards, commissions and corporations which were not previously subject to the IG Act. Under the legislation, agencies would now be required to: 1) consolidate their internal audit and investigative units; 2) insulate the internal audit unit from program operating responsibilities; 3) ensure that the internal audit head reports directly to the agency head or deputy, and; 4) notify Congress of the reasons for removal or involuntary transfer of the internal audit head.

S. 2005 also requires the President's Council on Integrity and Efficiency (PCIE) conduct a study of audit and investigative activities within federal agencies to determine the effectiveness of present operations and to evaluate the need to extend activities to additional agencies and offices.

The Committee reported S. 2005 on July 31, 1986. The legislation was subsequently approved by the Senate on October 18, 1986.

S. 2426: The Contract Disputes Act of 1986

The Contract Disputes Act was introduced by Senator Cohen on May 8, 1986. This legislation amends the Contract Disputes Act of 1978 to make certain requirements regarding the selection and status of members of boards of contract appeals and to revise procedures for the collection of claims under government contracts.

S. 2426 stipulates that members of boards of contract appeals will be determined by a competitive selection process. Applicants will be judged according to a civil service competitive examination which demonstrates the individual's public contract law experience. A separate roster of all eligible applicants be maintained.

The legislation also establishes an 18-month failing period for the settlement of claims against the government for damages resulting from contract disputes. Contractors will now be given 180 days (previously 90 days) from the date of receipt of the contracting officer's decision in the dispute to appeal to the board of contract appeals. The contractor then has 180 days (previously 12 months) to appeal the board of contract appeal's decision to the U.S. Claims Court.

S. 2426 was reported on July 31, 1986 and passed the Senate by voice vote on August 13, 1986.

S. 2479: The Prompt Payment Act of 1986

Senator Trible introduced S. 2479 on May 21, 1986. This legislation is designed to strengthen the debt collection legislation passed in 1982, by enforcing prompt payment of vendor invoices by the federal government.

Firms contracting with the federal government are often inconvenienced because the government fails to pay its bills promptly. This practice is particularly burdensome to small businesses. Examination of this issue shows that some federal agencies routinely delay payment after the due date on nearly 25 percent of their outstanding invoices.

S. 2479 clarifies federal agency responsibility for making payment within 30 days. The legislation also guarantees interest payments to contractors if payment is not received by the end of the 30 days. If an interest payment is not made within a 10-day period from the due date, the contractor may elect to seek the award of double interest payments.

S. 2479 was reported on October 2, and passed the Senate on October 15, 1986.

S.J. Res. 190: A Resolution to Establish Greater Productivity in Federal Government Operations as a National Goal of the United States.

This resolution was introduced on August 1, 1985 by Chairman Roth, and cosponsored by 10 Senators. It declares increased productivity in federal government operations as a national goal. and encourages the President to make the necessary recomendations to the Congress for achieving this goal.

S.J. Res. 190 was reported by the Committee on August 8, 1986, and passed by the Senate on August 15, 1986.

MEASURES REPORTED BY THE COMMITTEE

S. 528: The Bipartisan Commission on Congressional Campaign Financing Act

This legislation, introduced on February 27, 1986 by Senator Rudman, and cosponsored by 28 senators, would establish a bipartisan commission on congressional campaign financing. The purpose of this commission would be to produce findings and offer legislative recommendations for changes in federal laws and regulations to foster increased participation by both qualified candidates and political parties in the electoral process, promote public confidence in the electoral and legislative processes, and to protect the integrity of the legislative process.

S. 528 was reported by the Committee on August 13, 1986.

S. 1134: The Program Fraud Civil Remedies Act

Enactment in October of S. 1134, the "Program Fraud Civil Remedies Act," completed action on legislation which was first initiated by the Governmental Affairs Committee in 1981. The bill provides executive branch agencies with the means to pursue settlement in "small fraud" cases--those totaling less than $150,000.

In the past, all fraud cases were referred to the Justice Department for prosecution. Unfortunately, limited time and resources prevented the Justice Department from pursuing many of the cases it received. S. 1134 allows agencies to utilize administrative proceedings in order to regain lost revenues and imposes stiff monetary penalties for small fraud offenses. The bill sets fines of up to $5,000 for each violation and provides for the award of double damages.

S. 1134 was introduced by Senators Roth and Cohen on May 15, 1985. The Committee favorably reported the bill on December 10, 1985. S. 1134 was incorporated into the Omnibus Reconciliation Act of 1986 which was signed into law on October 21, 1986. (For further discussion of this measure see the Reconciliation section of this report.)

S. 2230: The Federal Management Reorganization and Cost Control Act of 1986

In an effort to strengthen the overall management of the federal government, Senator Roth introduced S. 2230 on March 26, 1986. The legislation is designed to improve the government's financial systems, foster economy and efficiency in government programs, improve leadership in executive departments and agencies, and increase the capacity of these departments and agencies to carry out their responsibilities. To ensure increased emphasis on improving government management, S. 2230 splits the management and budget functions presently contained in the Office of Management and Budget and creates a separate Office of Financial Management to deal solely with federal management issues.

S. 2230 details specific responsibilities in OMB in the areas of financial management, general management improvement and evaluation, productivity improvement, human resources management, and organization and coordination. It mandates the development and implementation of uniform financial systems in federal agencies, and provides incentives for streamlined cash and credit transactions. The bill also stressed improved coordination in federal information policy by authorizing appropriations for the Office of Information and Regulatory Affairs (FY87-90) and requiring confirmation of the Administrator of OIRA by the Senate. The OIRA provision (Title VI of S. 2230) became separate legislation (S. 2887) which was incorporated into the Omnibus Appropriations measure and passed.

The Committee reported S. 2230 on July 31, 1986. (For further information concerning the OIRA reauthorization see the Other Reforms section of this report.)

H.R. 2436: The National Nutrition Monitoring and Related Research Act of 1985

In addition to establishing a coordinated National Nutrition Monitoring and Related Research Program, H.R. 2436 would develop a comprehensive plan for assessment of the nutritional and dietary status of the U.S. population and the nutritional quality of the U.S. food supply. Provisions would be made in the legislation to conduct scientific research and development in support of this plan.

H.R. 2436 passed the House of Representatives on June 26, 1986 and was referred to the Governmental Affairs Committee on July 14, 1986. The Committee, which also considered a Senate companion bill, S. 1569, reported H.R. 2436 on October 3, 1986. The legislation was placed on the Senate calendar, but no further action was taken before the end of the session.

RECONCILIATION

Consolidated Omnibus Budget Reconciliation Act of 1985

S.Con. Res. 32, the First Concurrent Resolution on the Budget for fiscal year 1986, mandated the Governmental Affairs Committee to derive $12.6 billion in savings over the next three fiscal years. The Committee transmitted its reconciliation recommendations to the Senate Budget Committee on September 27, 1985, in accordance with the reconciliation instructions. Pursuant to S.Con. Res. 32, the Committee approved a legislative package which projected savings of $13.2 billion over the next three fiscal years. These savings resulted from legislative measures to limit the revenue foregone appropriation to the U.S. Postal Service, freeze federal civilian pay in fiscal year 1986, transfer surplus monetary reserves from the Federal Employees Health Benefits Program to the government, make additional administrative changes in the civil service, and authorize the use of multiyear contracting for civilian agencies.

The Senate Budget Committee reported S. 1730, a bill incorporating the Governmental Affairs Committee reconciliation recommendations on October 2, 1985. The Senate included S. 1730 in H.R. 3128 and passed the measure by a vote of 93-6 on November 11, 1985. The conference committee reported its agreement on December 19, 1985, and the Senate passed the conference report by voice vote on March 18, 1986. The House approved the report on March 20, and the measure was signed into law on April 7, 1986 (Public Law 99-272).

Omnibus Budget Reconciliation Act of 1986

S.Con. Res. 120, the Budget Resolution for fiscal year 1987, mandated the Governmental Affairs Committee to derive $300 million in savings over the next three fiscal years (FY87-FY89). The Committee transmitted its reconciliation recommendations to the Senate Budget Committee on July 29, 1986 in accordance with the reconciliation instructions. Pursuant to S.Con. Res. 120, the Committee approved legislation designed to save $360 million over three years. Savings from this legislation were achieved through changes in the election period for employees to contribute to the thrift savings plan in the new Federal Employees Retirement Plan, revision of the method of computing the revenue foregone appropriation for the U.S. Postal Service, and the Program Civil Fraud Remedies Act of 1986.

The Senate Budget Committee reported S. 2706, a bill incorporating the Governmental Affairs Committee reconciliation recommendations, on July 31, 1986. The Senate incorporated S. 2706 into H.R. 5300 and passed the bill by voice vote on September 25, 1986. The Senate agreed to the conference report on H.R. 5300 on October 17, 1986 and the legislation became law on October 21, 1986 (Public Law 99-509). The conference agreement contained slightly more than $250 million in savings from recommendations offered by the Committee.

The final conference agreement included additional items under the Governmental Affairs Committee jurisdiction which did not have an immediate impact on the budget. These items included language modifying the authority of the Treasury to suspend investment or to disinvest assets of the Civil Service Retirement and Disability Fund, the exempting of certain cost-of-living-adjustments (COLAs) from a possible sequestration under the Balanced Budget and Emergency Deficit Control Act of 1985 (P.L. 99-177), and extension through 1987, with some modifications, of the certain Senate rules prohibiting the inclusion of extraneous measures in a reconciliation bill or resolution (Byrd Rule) and outlining procedures for dealing with extraneous measures when considering a reconciliation bill or resolution (Roth Rule).

OTHER REFORMS

The Committee and its six subcommittees conducted a variety of oversight activities during the 99th Congress, including hearings on pending legislation, investigations of waste and inefficiency in the federal government, and examinations of issues of concern to citizens and taxpayers outside the public sector. Among the areas which the Committee explored were the recommendations of the Grace Commission, federal retirement reform, the Gramm-Rudman-Hollings deficit reduction mechanism, separation of powers issues involving the General Accounting Office, infant mortality, non-smokers' rights, government contracting, testing and pricing of Pentagon weapons and spare parts programs, national nutrition monitoring, federal information policy, and continuing investigations into the deglamorization of drugs, money laundering, emerging foreign criminal groups, and espionage in the United Nations.

Grace Commission Legislation

During the 99th Congress, the Committee devoted numerous hours to examination of the report of the President's Private Sector Survey on Cost Control, better known as the Grace Commission. After hearings on this subject, Senator Roth launched "Grace Legislation Day" on June 26, 1986. At a press conference with J. Peter Grace and Jack Anderson, co-chairmen of Citizens Against Government Waste, Senator Gordon Humphrey and Representative Beau Boulter, respective chairmen of the Senate and House Grace Caucuses, and over 20 members of the Senate and House Grace Caucuses, Senator Roth introduced a package of legislative measures incorporating 15 of the Grace Commission's cost-cutting recommendations. The projected savings of these 15 proposals over the next three fiscal years would be approximately $9 billion.

The bills introduced by Senator Roth on Grace Legislation Day were:

S. 2619 - The Tax Collection and Enforcement Improvement Act of 1986.
A bill to increase tax law compliance, increase collections, and reduce tax delinquencies.

S. 2621 - The Federal Performance of Commercial Activities Improvement Act of 1986.
A bill to increase, where cost effective, the government's use of the private sector to provide goods and services.

S. 2622 - The Meat, Poultry and Egg Product Inspection Improvement Act of 1986.
A bill to improve the efficiency and reduce the cost of inspections at processing plants by authorizing the Secretary of Agriculture to conduct examinations and inspections as necessary, rather than continuously.

S. 2624 - The Defense Select Consolidations Act of 1986.
A bill to consolidate and improve the efficiency and coordination of depot level maintenance and wholesale distribution operations, base support services and military traffic and transport management.

S. 2625 - The Federal Health Care Auditing and Quality Control Improvement Act of 1986.
A bill to strengthen oversight and quality control and to reduce administrative costs associated with the Medicare and Medicaid programs.

S. 2626 - The Border Management Consolidation and Improvement Act of 1986.
A bill to strengthen law enforcement at U.S. borders and ports and reduce the cost of border management.

S. 2627 - The Federal Hospital System Sharing Act of 1986.
A bill to improve efficiency and reduce costs of the Department of Defense and Veterans Administration hospitals through broadened sharing authority.

S. 2628 - The Housing Eligibility Verification Improvement Act of 1986.
A bill to strengthen the verification of eligibility and proper determination of benefits for the Department of Housing and Urban Development.

S. 2629 - The Defense Technology Data Exchange Improvement Act of 1986.
A bill to strengthen coordination among Department of Defense research facilities.

S. 2630 - The Defense Transportation Bill Audit Improvement Act of 1986.
A bill to strengthen transportation bill auditing and reduce the backlog of audits.

S. 2631 - The Defense Industrial Reserve Improvement Act of 1986.
A bill to place defense industrial reserve plant equipment purchases on a sound economic footing by requiring that users pay the full cost of storage, repair, maintenance and allocated overhead.

S. 2632 - The Paralegal Coordination and Activities Act of 1986.
A bill to increase productivity and reduce costs in the Justice Department through improved use of paralegals.

Each of these bills were referred to the appropriate Senate Committee for action. With the exception of S. 2630, action on these measures was not completed before the end of the 99th Congress.

Federal Early Retirement

One of the most significant efforts offered by the Committee during the 99th Congress involved legislation, S. 2197, to permit eligible federal employees to take voluntary early retirement from government service. This bill, the "Federal Employees' Optional Early Retirement Act of 1986," was introduced by Senators Roth and Stevens on March 14, 1986.

S. 2197 proposed a plan to allow federal employees to choose early retirement during a one-time only "window" period. Employees who met any of four age and service eligibility categories could opt for early retirement with full or partially reduced benefits.

Upon its introduction, S. 2197 generated enormous interest among federal employees, as well as considerable opposition among some federal agencies and employee union groups. Despite frequent and intense negotiations on this measure, no agreement could be reached on S. 2197 before the end of the Congress.

Reauthorization of OIRA

The bill to reauthorize funds for the Office of Information and Regulatory Affairs (OIRA), S. 2887, was originally included as Title VI of S. 2230, the Federal Management Reorganization Act of 1986. Title VI was separated out and introduced S. 2887 by Senator Roth on September 27, 1986.

Under this legislation, appropriations for OIRA are authorized for an additional four years, fiscal years 1987 through 1990. The Administrator of OIRA will be appointed by the President, subject to confirmation by the Senate. The bill will also consolidate the federal telecommunications and automatic data processing funds in the Information Technology Fund and clarify existing law on federal information policy.

S. 2887 was reported by the Committee on September 25, 1986. It was incorporated into the Omnibus Appropriations Act which was approved by both the House and Senate on October 17, 1986. The Appropriations bill was signed into law on October 18, 1986 (Public Law 99-500).

NOMINATIONS

The Committee received a total of 39 nominations during the 99th Congress, of which 33 were confirmed by the Senate. Those confirmed were:

District of Columbia Court of Appeals--Associate Judges:
John M. Steadman

District of Columbia Superior Court--Associate Judges:
Harold L. Cushenberry Jr.
Herbert B. Dixon
Richard A. Levie
Evelyn Crawford Queen
Michael L. Rankin
John H. Suda
Curtis E. Von Kann

Federal Emergency Management Agency:
Julius W. Becton Jr., Director
James P. McNeill, Associate Director

Federal Labor Relations Authority--Members:
Jerry Lee Calhoun
Jean McKee

General Services Administration:
Terence C. Golden, Administrator

Inspectors General:
Paul A. Adams, Department of Housing and Urban Development.
William R. Barton, General Services Administration.
Robert W. Beuley, Department of Agriculture.
Bill D. Colvin, National Aeronautics and Space Administration.
John W. Melchner, Department of Transportation.
James R. Richards, Department of the Interior.

Merit Systems Protection Board:
Daniel R. Levinson, Chairman
Mary F. Wieseman, Special Counsel

Office of Federal Procurement Policy:
Robert P. Bedell, Administrator

Office of Management and Budget:
James C. Miller III, Director

Office of Personnel Management:
James E. Colvard, Deputy Director
Constance J. Horner, Director

Special Panel on Appeals:
Barbara Jean Mahone, Chairman

U.S. Postal Rate Commission:
Henrietta F. Guiton
Patti Birge Tyson
Janet D. Steiger

U.S. Postal Service Board of Governors:
John N. Griesemer
J.H. Tyler McConnell
Crocker Nevin
Robert Setrakian

CONCLUSION

During the 99th Congress, the focus of the Governmental Affairs Committee activities shifted slightly. Due to an increased number of Presidential nominations, the Committee focused increasing on executive branch appointments. The business of the Congress as a whole was shaped by new major issues of national concern, such as tax reform and drug abuse. New national priorities influcenced the agenda of the Committee, prompting more first-time investigations.

In terms of legislation, and the scope of the measures which were enacted, the efforts of the 99th Congress as a whole, and the Governmental Affairs Committee, were prodigious and productive. Satisfaction can be taken in the knowledge that many of the measures crafted and guided through the Committee to final passage produced significant, long-lasting changes for the better in the federal government. As the advent of the 100th Congress nears, the Governmental Affairs Committee looks forward to new and challenging projects as it continues its efforts to promote efficiency and economy in the operation of the federal government.

APPENDIX

Measures Enacted Into Law

S. 386 - to confirm a conveyance of certain real property by the Southern Pacific Transportation Company to Ernest and Dianna Pritchett. Signed on November 6, 1986 (Public Law 99-614).

S. 992 - to eliminate certain agency reporting requirements to Congress. Signed on August 22, 1986 (Public Law 99-386).

S. 1027 - for the relief of Kenneth David Franklin. Signed on June 19, 1986 (Private Law 99-3).

S. 1840 - to revise the authority relating to the payment of subsistence allowances to government employees for periods of official travel. Signed on January 2, 1986 (Public Law 99-234).

S. 2452 - to designate the U.S. Post Office to be constructed in Barnwell, SC as the "Solomon Blatt Sr. Post Office Building." Signed on November 7, 1986 (Public Law 99-636).

H.R. 2694 - to designate the U.S. Post Office Building located at 300 Packerland Drive, Green Bay, WI as the "John W. Byrnes Post Office and Federal Building." Signed on December 23, 1985 (Public Law 99-210).

H.R. 2721 - to require the collection of statistics on domestic textile and apparel industries. Signed October 14, 1986 (Public Law 99-467).

H.R. 2722 - to eliminate the requirement relating to decennial censuses of drainage. Signed October 27, 1986 (Public Law 99-544).

H.R. 2776 - to amend the District of Columbia Stadium Act of 1957 to direct the Secretary of the Interior to convey title to the Robert F. Kennedy Memorial Stadium to the District of Columbia. Signed on October 29, 1986 (Public Law 99-581).

H.R. 3002 - to provide for the establishment of an experimental program relating to the acceptance of voluntary services from participants in an executive exchange program of the government. Signed September 30, 1986 (Public Law 99-424).

H.R. 3168 - to require the Director of the Office of Management and Budget to prepare an annual report consolidating the available data on the geographic distribution of federal funds. Signed October 27, 1986 (Public Law 99-547).

H.R. 3447 - to amend the Congressional Award Act to require that Congressional leaders responsible for appointing members to the Congressional Award Board appoint a member of Congress to such Board. Signed on November 25, 1985 (Public Law 99-161).

H.R. 3718 - to waive the period of Congressional review for certain District of Columbia Acts authorizing the issuance of revenue bonds. Signed on December 26, 1985 (Public Law 99-216).

H.R. 5626 - making technical corrections in the Federal Employees Retirement System bill. Signed on October 27, 1986 (Public Law 99-556).

Resolutions Agreed To

S. Res. 478 - to express the sense of the Senate that the regulations promulgated by the National Archives and Records Administration setting forth procedures for the preservation and protection of, and access to historical materials of the Nixon Administration meet the requirements of the Presidential Recordings and Preservation Materials Act of 1974. Passed by voice vote on August 15, 1986.

S. Res. 509 - to outline procedures for the consideration of extraneous measures in relation to the consideration of Senate reconciliation bills or resolutions. Passed by voice vote on October 16, 1986.

Measures Passed in the Senate

S. 249 - to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. Incorporated into the Highway bill (H.R. 3129) and passed on September 24, 1986.

S. 786 - to create an Information Age Commission. Passed by voice vote on October 9, 1986.

S. 1209 - to establish the National Commission to Prevent Infant Mortality. Passed by voice vote on October 9, 1986.

S. 1271 - to authorize appropriations for fiscal year 1986 for intelligence activities of the United States government, the Intelligence Community staff and the Central Intelligence Retirement and Disability System. Passed by voice vote on September 26, 1985.

S. 1620 - to establish a National Council on Access to Health Care. Passed by voice vote on October 8, 1986.

S. 1919 - to establish a national task force to examine issues associated with abuse of the elderly. Passed by voice vote on February 19, 1986.

S. 2447 - to authorize appropriations for fiscal year 1987 for intelligence activities of the United States government, the Intelligence Community staff and the Central Intelligence Agency Retirement and Disability System. Senate incorporated this measure into H.R. 4759, and passed the House bill by voice vote on September 24, 1986.

S. 2723 - to restore limited circulation second-class rates of postage for copies of a publication mailed to counties adjacent to the county of publication. Passed by voice vote on October 8, 1986.

Measures Reported by the Committee

S. 1657 - to change the requirements for the submission of certain reorganization plans to Congress. Reported on August 11, 1986.

S. 1937 - to restrict smoking to designated areas in all federal government buildings. An original bill (in lieu of S. 1440), reported on December 12, 1985.

S. 2134 - to afford Postal Service employees the same procedural and appeal rights given other employees of the federal government in regard to adverse personnel actions. Reported on September 12, 1986.

S. 2433 - to provide a simplified competitive acquisition technique for certain federal government procurements. Reported on September 23, 1986.

S. 2551 - to create a National Center on Youth Suicide under the Office of Justice Programs in the Department of Justice. Reported on September 25, 1986.

COMMITTEE ON THE JUDICIARY

Strom Thurmond, South Carolina, Chairman

Charles McC. Mathias, Maryland
Paul Laxalt, Nevada
Orrin G. Hatch, Utah
Alan K. Simpson, Wyoming
Charles E. Grassley, Iowa
Jeremiah Denton, Alabama
Arlen Specter, Pennsylvania
Mitch McConnell, Kentucky
James T. Broyhill, North Carolina*

Joseph R. Biden, Jr., Delaware
Edward Kennedy, Massachusetts
Robert C. Byrd, West Virginia
Howard M. Metzenbaum, Ohio
Dennis DeConcini, Arizona
Patrick J. Leahy, Vermont
Howell Heflin, Alabama
Paul Simon, Illinois

*Senator John P. East, of North Carolina, was a member of the Committee until his death on June 29, 1986, at which point Senator James T. Broyhill became a member of the Committee.

A substantial number of legislative matters, covering a wide range of issues, were processed by the Committee on the Judiciary during the 99th Congress. Twenty-one percent of all legislation introduced in the Senate was considered by the Committee. Thirty-nine pieces of general legislation which the Committee approved became public law. Also, 226 commemorative dates of observation and 15 private relief bills were enacted into law. Furthermore, the Committee approved twenty-seven percent of the legislation which was passed by the Senate. An appendix attached at the end of this report provides the Committee's legislative statistics for the 99th Congress. The Committee also received 293 nominations, twelve Presidential messages, and 377 Executive communications.

The Committee held 258 days of public hearings during the 99th Congress. These hearings included 71 days of oversight hearings, 115 days of legislative hearings and 71 days of hearings on nominations. The Committee also held 50 business meetings.

FULL COMMITTEE

Jurisdiction

In addition to legislation referred to the eight subcommittees, the full Committee itself retained jurisdiction over a significant number of bills. During the 99th Congress, the jurisdiction of the full Committee included nominations; holidays; commemorations; Federal charters; celebrations; antitrust and monopolies; Department of Justice oversight, authorization and budget and oversight of the Antitrust Division of the Justice Department. In addition, due to unique circumstances the full Committee chose from time to time to retain at the full Committee level certain legislation that might otherwise have been referred to its subcommittees.

Overview

Nominations

During the 99th Congress, the Committee received 293 nominations submitted by President Reagan. Of these, 267 were reported favorably by the full Committee, and 267 were confirmed by the Senate.

Presidential messages

Twelve Presidential messages were transmitted to the Committee during the 99th Congress dealing with a variety of subjects within the Committee's jurisdiction.

Executive communications

The Judiciary Committee received a total of 377 executive communications transmitting legislative recommendations and relating to the Committee's oversight responsibilities.

Reports and Publications

During the 99th Congress, the full Committee filed 62 Senate reports on measures approved by the Committee.

The Committee also published hearing records on 128 different matters. Five of these dealt with Presidential appointees, and the remaining 123 publications provided background material pertinent to the Committee's legislative activities and oversight responsibilities.

In addition, the Committee published eight committee prints dealing with areas of national interest and concern within its jurisdiction.

Nominations

Article II, section 2 of the Constitution gives the President the power to appoint the principal officers of the Federal Government "by and with the Advice and Consent of the Senate." The Committee on the Judiciary has a unique role in reviewing nominations. It considers the choice not only of Federal administrators in the Executive Branch but also of judges and judicial officers -- the principal decision - makers of an entire separate branch of the Federal Government. The process of appointment of judges to the Federal bench continues to be a major responsibility of the Committee.

The Committee on the Judiciary has the responsibility to act upon the nominations of top administrators and policymakers in the Executive Branch of Government. Nominations for positions in the following agencies and posts are processed in the Committee: Department of Justice; Administrative Conference of the United States; all U. S. attorneys and U.S. marshals; the judge, attorney and marshal for the Canal Zone; Civil Rights Commission; Community Relations Service; U. S. Claims Court; U. S. Customs Court; Drug Enforcement Administration; Federal Bureau of Investigation; Foreign Claims Settlement Commission; the judge, attorney and marshal for Guam; Immigration and Naturalization Service; Parole Commission; Patent Office; and U. S. Court of International Trade.

During the 99th Congress, the Committee received 293 executive nominations and the Senate confirmed 267 for the following positions: The Chief Justice of the United States and an Associate Justice of the Supreme Court; 33 for U.S. Circuit Judgeships; 95 for U.S. District Court Judgeships; 5 for U.S. Claims Court Judgeship; 2 for International Trade Court Judgeship; 44 for U.S. Attorney; 46 for U.S. Marshal; 1 for Attorney General; 2 for Deputy Attorney General; 2 for Associate Attorney General; 1 for Solicitor General; 7 for Assistant Attorney General; 1 for Administrator, Drug Enforcement Administration; 1 for Deputy Administrator, Drug Enforcement Administration; 7 for membership on the Sentencing Commission (including Chairman); 2 for membership on the Foreign Claims Settlement Commission; 2 for membership on the Copyright Royalty Tribunal; 1 for Chairman of the Administrative Conference of the United States; 1 for Commissioner of Patents and Trademarks; 1 for Deputy Commissioner of Patents and Trademarks; 2 for U.S. Parole Commission; 9 for Membership of Board of Directors of State Justice Institute.

Commemorations

Operating under a policy agreed to during the 96th Congress, the Judiciary Committee required that commemorative bills and resolutions, in order to be considered by the Committee, must have secured the cosponsorship of at least 25 Senators, including at least 10 from each party. In addition, no commemorative measure was considered which commemorated a commercial enterprise or any political organization. Commemoratives were not designated for periods of more than one year.

Senators Alan Simpson (R-Wyoming) and Howard Metzenbaum (D-Ohio) were appointed by Chairman Thurmond to study and make recommendations about changes in commemorative policy. The recommendations were approved on February 20, 1986 to go into effect on January 1, 1987. The new Committee policy requires the cosponsorship of at least 50 senators, with at least 20 Democrats and 20 Republicans. No measure may commemorate the following: a commercial enterprise, industry or specific product; a fraternal, political, business, labor or sectarian organization; a particular state or any political subdivision thereof, city, town, county, school or institution of higher learning; or a living person. In addition, the Committee will consider these measures only in the months of February, June and October.

Department of Justice Authorization and Oversight

The Committee on the Judiciary continued its careful oversight of the operations and fiscal needs of the Department of Justice, the major law enforcement agency of the Federal Government. On April 29, 1986, the Committee held a hearing on S. 2376, to authorize appropriations for the Department for fiscal year 1987 consistent with the recommendations of Gramm-Rudman-Hollings.

Antitrust

As occurred during the 97th and 98th Congresses, antitrust legislation continued to be addressed at the full Committee level, rather than being referred to a subcommittee.

Vigorous antitrust enforcement continued to be a priority objective of the Committee during the 99th Congress. This was reflected not only in the consideration of a variety of important legislative initiatives, but also in the continuing exercise of the Committee's oversight responsibilities over the Antitrust Division of the United States Department of Justice.

A major antitrust concern has been an Administration proposal to revise the Nation's antitrust laws. The five bills in the Administration package would have made revisions in the law dealing with mergers, remedies, interlocking directorates, extraterritorial jurisdiction and foreign competition (S.2160, S.2161, S.2162, S.2163 and S.2164). Those five bills came to the Committee early in the 2nd Session and were the subject of nine hearings, with the Committee favorably reporting versions of two of the bills.

One of the most significant bills reported by the Committee involved the establishment of the rights of contribution and claim reduction in antitrust damage cases. The unfairness posed by the combination of treble damages and joint and several liability in antitrust suits has been the subject of hearings and previous legislation in past Congresses. A consensus measure to resolve this difficult issue, S.1300, was reported by the Committee late in the 2nd Session, but the measure was not considered by the Senate prior to adjournment.

Also, the Committee reported bills dealing with competition in the retail gasoline industry (S.1140) and the application of United States antitrust laws to international trade and commerce (S.397).

In addition, as part of its antitrust jurisdiction, the Committee held hearings on the competitive effects of the Administration's proposal to sell the Conrail system to another railroad.

Measures Enacted into Law

The Anti-Drug Abuse Act Of 1986

Public Law 99-570. The Anti-Drug Abuse Act of 1986 was a bipartisan initiative to deal with the growing drug problem in this Nation. This bill passed the Senate on Friday, October 17, 1986, and was signed into law on Monday, October 27, 1986. This legislation contained a number of judiciary related measures. Many bills reported by or pending in the Senate Judiciary Committee were included in this major, comprehensive drug bill:

(a) S.2787, introduced by Senator D'Amato (R-N.Y.), provided mandatory minimum sentences with no parole eligibility for various drug offenses. This legislation enhanced many penalties in current law.

(b) S.2697, introduced by Senator Hawkins (R-Fla.), provided enhanced penalties for the importation, exportation, and manufacture of controlled substances.

(c) S.2699, introduced by Senator Specter (R-Pa.), and S.2562, introduced by Senator Chiles (D-Fla.), provided minimum mandatory sentences for the offenses of distribution of controlled substances to minors, use of minors in drug distribution, and distribution of controlled substances in or near schools.

(d) S.1437, introduced by Senator Thurmond, created harsh penalties for the manufacture of, possession with intent to distribute, and distribution of controlled substance analogs ("designer drugs").

(e) S.2312, introduced by Senator Specter, redefined a "career criminal" as an individual who has three or more convictions "for a crime of violence" or "a serious drug offense, or both." This legislation prohibits possession of a firearm by a career criminal.

(f) S.713, introduced by Senator Wilson (R-Calif.), prohibited the interstate sale and transportation of drug paraphernalia.

(g) S.J.Res. 381, introduced by Senator Hawkins, called for a White House Conference on drug use and control.

(h) S.2560, introduced by Senator Chiles, created severe criminal penalties for the manufacture, distribution, or possession with intent to distribute cocaine freebase which is commonly known as "crack".

(i) S.1746, introduced by Senator Chiles, called for the Attorney General to study methods to control diversion of legal precursors and chemicals which can be used to produce illegal drugs.

(j) S.2411, introduced by Senator D'Amato, prohibited the possession, manufacture, sale, importation, and mailing of ballistic knives.

Certain bills which had been voted favorably out of the Senate Judiciary Committee and passed the Senate were included in the Anti-Drug Abuse Act:

(a) S.630, the Federal Drug Law Enforcement Agent protection Act, introduced by Senator Hawkins, provided rewards to those assisting with the arrest and conviction of persons guilty of killing or kidnapping a Federal drug agent.

(b) S.850, introduced by Senator Thurmond, made it a crime to operate or direct the operation of a common carrier while intoxicated as a result of using alcohol or drugs.

Low-Level Radioactive Waste Compacts

Public Law 99-240. The Judiciary Committee considered eight bills which proposed to grant Congressional consent to compacts which would provide for the nationwide disposal of low-level radioactive waste. The Low-Level Radioactive Waste Policy Act of 1980 authorized states to form compacts with other states for the disposal of their low-level waste, and provided that after January 1, 1986, those states participating in Congressionally approved compacts would only have to dispose of waste produced by compact members.

During the first session of the 99th Congress, the following compacts were submitted for approval:

S. 44- Southeast Interstate Low-Level Compact-Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee and Virginia

S. 356- Northwest Interstate Compact on Low-Level Radioactive Waste Management-Alaska, Hawaii, Idaho, Montana, Oregon, Utah, Washington and Wyoming

S. 442- Rocky Mountain Low-Level Radioactive Waste Compact-Arizona, Colorado, Nevada, New Mexico, Utah and Wyoming

S. 655- Central Interstate Low-Level Radioactive Waste Compact-Arkansas, Iowa, Kansas, Louisiana, Minnesota, Missouri, Nebraska, North Dakota and Oklahoma

S. 802- Central Midwest Interstate Low-Level Radioactive Waste Compact-Illinois and Kentucky

S. 899- Midwest Interstate Compact on Low-Level Radioactive Waste Management-Iowa, Indiana, Michigan, Minnesota, Missouri, Ohio and Wisconsin

S. 1798, Northeast Interstate Low-Level Radioactive Waste Management Compact-Connecticut, New Jersey, Delaware and Maryland

The Committee conducted a hearing on S. 44, S. 356, and S. 442 on March 9, 1985 (S. Hrg. 99-165). The Committee approved all seven of the compacts and they were included as Title II of the Low-Level Radioactive Waste Policy Act Amendments of 1985 (PL 99-240). Title I amended the 1980 Policy Act to extend the date that compacts may begin to exclude waste until January 1, 1993.

S. 2679, Appalachian States Low-Level Radioactive Waste Compact (Delaware, Maryland, Pennsylvania and West Virginia) was introduced during the final months of the second session and was referred to the Judiciary Committee. However, due to the limited time remaining in this session, no action was taken.

Bankruptcy Reform

Public Law 99 - 554. During the 99th Congress, a number of bills were introduced relating to the issue of bankruptcy. Several of these measures were included in a legislative package which became Public Law 99 - 554 (H.R.5316) the Bankruptcy Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986.

S. 1923 was introduced by Senator Thurmond with Senators Grassley and Harkin on December 11, 1985. This legislation proposed the addition of new bankruptcy judgeships to address the problems faced in many federal judical districts which have been swamped by the significant increases in bankruptcy filings. The provisions of S. 1923 were included, in large part, in the legislation which became Public Law 99 - 554.

S. 1961 was introduced by Senator Thurmond with Senators DeConcini, Andrews, Burdick, D'Amato, Dixon, Simon, and Warner, by request, on December 17, 1985. This legislation proposed to authorize a new United States Trustee system on a nationwide and permanent basis. The provisions of S.1961 were included, in large part, in the legislation which became Public Law 99 - 554.

The Money Laundering Crimes Act of 1986

Public Law 99-570. S. 2683 was introduced by Chairman Thurmond, Senators Biden, DeConcini, and D'Amato on July 24, 1986, and the bill was favorably reported by the Committee on July 31, 1986. Hearings were held on the Administration's money laundering bill, S. 1335, on October 29, 1985 and, as part of the White Collar Crime hearings, on March 18 and 25, 1986. The essential text of S. 2683 was included as a section of H.R. 5484, the Anti-Drug Abuse Act of 1986(PL 99-570).

The bill creates a federal offense prohibiting the laundering of money to conceal its illegal source. In order to encourage assistance from the community, financial institutions are provided with immunity from civil prosecution for volunteering information about suspected illegal laundering activity. Additionally, the legislation provides for forfeiture of criminally derived property and permits the federal law enforcement agencies to share forfeited property with foreign, state, and local governments which participate directly in acts leading to forfeiture.

Magistrates Retirement and Recall Legislation

Public Law 99-   S. 2529 was introduced by Chairman Thurmond and Senator Laxalt on June 9, 1986. A hearing on the bill was held on July 25, 1986 by the Courts Subcommittee, and the full committee approved a substitute bill on September 19, 1986. The text of S. 2529 was added to the Criminal Justice Act bill, H.R. 3004, and the House amended the magistrates provisions to include only the recall sections. The Senate passed this version of the bill. The bill provides for the recall of retired magistrates when there is a substantial need in a judicial district for such services.

Superfund Improvement Act of 1985

Public Law 99-499. Select provisions of S.51, The Superfund Improvement Act of 1985, falling squarely within the jurisdiction of the Committee on the Judiciary were referred to the Committee for a period of 18 days. The relevant provisions dealt with contribution and parties to litigation; pre-enforcement review; and, citizen suits. The Committee conducted two days of hearings (Printed J-99-30). Expert witnesses from the administration, as well as from the business and the environmental communities, appeared before the Committee to discuss S. 51 and the Superfund Program. As a result of these hearings, the members of the Committee worked with officials from the Environmental Protection Agency and the Department of Justice to formulate an amendment package to address several key issues. Despite the fact that the referral had expired prior to formal Committee action on the amendment, a majority of the Committee (10 members) supported the Thurmond-EPA-DOJ amendment package. This amendment package was offered as Amendment No. 663 to S.51 by Senator Stafford, Chairman of the Committee on the Environment and Public Works Committee, on the Senate floor on September 20, 1985. The amendment was accepted by unanimous consent.

Conrail Sale Authorization

Public Law 99-509. In the 99th Congress, the Committee considered legislation that would authorize the Department of Transportation to transfer ownership of the government-owned Conrail freight rail system to private ownership. Because the proposal involved the sale to another railroad, significant merger law issues were involved. While the bill authorizing the sale, S.638, was referred to the Commerce, Science and Transportation Committee, the Committee exercised its oversight authority over the Antitrust Division of the Department of Justice, which played a key role in the proposed merger, to consider the measure.

The Committee held two hearings on March 27 and April 2, 1985. Committee deliberations on the proposal continued until December 1985, but no action was taken on the bill. The bill was passed by the Senate, modified in the House and enacted into law.

Measures Actively Considered

Death Penalty, Habeas Corpus and Exclusionary Rule Reform

S.239. In the 99th Congress, the Committee once again considered legislation regarding the death penalty, habeas corpus reform, and exclusionary rule reform. These bills were the subject of extensive hearings and debate in previous Congresses. The Committee held a hearing on S. 239, which would establish constitutional procedures for the imposition of the death penalty on September 24, 1985(S. Hrg. 99-53). The Committee subsequently considered this bill at several of its business meetings and approved it on February 20, 1986(S. Rept. 99-282). The Senate did not act on this bill.

S.238. The Committee held a hearing on S. 238, a bill to reform habeas corpus procedures, on October 8, 1985(S. Hrg. 99-61). This bill was considered at several business meetings; however, no final Committee action was taken. Subsequent to Committee consideration, Senator Thurmond introduced the substance of S. 238 as S. 2301 and it was held at the desk. This action was taken so that prolonged committee debate would not deprive the Senate of the opportunity to consider this measure and so that the Committee could proceed to consider other important business. The Senate did not take any action on this measure.

S.237. The Committee conducted a hearing on S. 237, a bill to limit the application of the exclusionary rule on October 2, 1985(S. Hrg. 99-57). This measure was not considered at the Committee business meetings. For the same reasons applicable to the habeas bill, Senator Thurmond reintroduced S. 237 as S. 2302 and it was held at the desk. No action was taken by the Senate on this measure.

The Integrity In Post Employment Act Of 1986

S.2334, the Integrity in Post Employment Act of 1986, was introduced by Senator Thurmond (R-S.C.) on April 17, 1986. The bill as originally introduced amended Section 207 of Title 18, United States Code, to prohibit Members of Congress and officers and employees of all branches of the United States Government from attempting to influence the United States Government or from being employed by, advising, representing, or assisting any foreign entity. The purpose of this legislation was to address two major concerns: (1) that some former Federal employees were using their access and influence for personal and financial gain, and (2) that some former employees were using sensitive information, vital to national interests, for financial gain by directly or indirectly sharing this information with foreign interests.

The bill was referred to the Judiciary Committee where two hearings were held. A substitute amendment was adopted by voice vote and reported on June 26, 1986, with one Senator recorded in opposition. The substitute prohibits Members of Congress and certain high-level officers and employees of all branches of the United States Government from attempting to influence the United States Government or being employed by, advising, or representing foreign entities for compensation.

The measure was placed on the Senate agenda, but not considered prior to adjournment.

Fairness in Allocation of Antitrust Damages

S.1300, to make certain reforms in the allocation of damages in private antitrust litigation, was introduced by Senator Thurmond on June 18, 1985, with a majority of Committee members as co-sponsors. The purpose of the bill was to correct an unfair effect of settlement pressure in private antitrust enforcement caused by the combined forces of joint and several liability, treble damages and class-action suits. This effect results when plaintiffs sue a number of defendants allegedly engaged in joint conduct that violates antitrust law, settle cheaply and early with larger defendants, and leave smaller, even innocent, defendants facing possible liability for three times the damages attributable to all defendants. The bill as reported would provide for reduction of the plaintiffs' claim against the defendants by the fair share of damages attributable to any defendant who settles with the plaintiff. In certain cases, the bill would also reduce the plaintiffs' claim against the defendants by the fair share of damages attributable to any coconspirators whom the plaintiffs choose not to sue.

The bill was referred to the Committee, and hearings were held on July 29, 1985, and April 15, 1986. During Committee consideration of S.1300, another bill concerning private antitrust damages was introduced on behalf of the Administration and referred to the Committee. After hearings on the Administration bill, S.2162, the Committee reported a bill that was a compromise of S.1300 and S.2162.

The reported bill was placed on the Senate agenda but was not considered prior to adjournment.

Product Liability Legislation

S. 2760, which was a compromise bill drafted by members of the Commerce Committee, was introduced, as an original bill, by Senator Danforth on August 14, 1986. The Judiciary Committee held hearings on the bill on September 9 and 10, 1986. The hearings provided a forum for the Judiciary Committee to hear a spirited debate on the need for uniform product liability law from both proponents and opponents. On September 25, 1986, the Senate voted to cut off debate on the legislation, but it was then returned to the calendar and was not brought to the floor for Senate consideration again.

White Collar Crime Hearings

The Judiciary Committee conducted a series of white collar crime hearings aimed at understanding the nature and extent of the problem and seeking legislative solutions. Hearings were held on February 27, March 11, 18, 25, April 17, May 8, 1986, and they included testimony from the Justice and Treasury Departments, the banking and brokerage industries, and many academics. The hearings were focused primarily on money laundering and the E.F. Hutton investigation. While no specific legislation was considered at these hearings, the testimony relating to money laundering was quite useful in drafting the final money laundering bill.

Civil Rico

S.1521 was introduced by Senator Hatch (R-Utah) on July 29, 1985. This legislation was intended to limit private civil actions brought under Chapter 96 of Title 18, the Racketeering Influenced and Corrupt Organizations Act, and to clarify the intent of this Act as originally enacted by Congress. This bill was referred to the Committee on the Judiciary where it was placed on the active Judiciary agenda. S.1521 was not reached for consideration by the Judiciary Committee prior to adjournment.

S.2907 was introduced by Senator Metzenbaum (D-Ohio) on October 3, 1986, and referred to the Senate Judiciary Committee. This bill offered a proposal to amend the Racketeering Influenced and Corrupt Organizations Act. Due to the lateness of its introduction, it was not placed on the active Senate Judiciary agenda. Senator Metzenbaum offered this bill as an amendment on the Senate floor to other legislation late in the 99th session. This amendment was tabled and not brought up for reconsideration prior to adjournment.

H.R. 5445, the House proposal to amend Chapter 96 of Title 18, was referred to the Senate Judiciary Committee on October 9, 1986. Due to the lateness of the referral, this legislation was not considered by the Senate Judiciary Committee prior to adjournment.

Foreign Antitrust Improvements Act of 1986

S.397. The reported bill, as amended, represented a compromise between a bill introduced by Senator DeConcini, S.397, on February 6, 1985, and a bill introduced by Senator Thurmond on behalf of the Administration, S.2164, on March 7, 1986. Hearings were held on the measure on June 21 and October 15, 1985.

The bill as reported would make several changes in existing antitrust law as the law applies to conduct occurring outside the United States. In antitrust cases involving extraterritorial conduct, the bill would require courts to give early consideration to motions to dismiss based on lack of, or inappropriate exercise of, jurisdiction. In such cases, the courts would be directed to dismiss the suit if they find, primarily on the basis of six, non-exclusive enumerated factors, that it would be inappropriate for the courts to exercise jurisdiction over the matter. The bill would also apply the doctrine of forum non conveniens to antitrust suits.

On October 2, 1986, the Committee reported the compromise bill, but the Senate did not consider the measure prior to adjournment.

Motor Fuel Sales Competition Improvement Act

S.1140. After a hearing held on October 9, 1985, S. 1140 was considered and reported by the Committee. The bill would make it unlawful for a large, integrated petroleum refiner to increase the number of service stations it directly operated after the date of enactment. The bill would also prohibit any petroleum refiner from requiring that its franchised dealers purchase more than 70% of their requirements of refined products from that refiner. The bill was placed on the Senate calendar, but was not considered prior to adjournment.

Malt Beverage Interbrand Competition Act

S.412. The Committee considered and reported S.412, a bill to amend the antitrust law governing wholesale distribution in the malt beverage industry. The bill would alter the antitrust law as it applies to exclusive territories, a form of vertical restraint agreement between a manufacturer and its distributors.

The bill was reported by a divided vote on March 13, 1986, but the reported bill was not considered by the Senate prior to adjournment. On September 30, 1986, however, a similar measure was debated on the Senate floor as an Appropriations Committee amendment to the Continuing Resolution. After debate, the amendment was withdrawn.

Subcommittee Activity

The eight subcommittees of the Committee on the Judiciary also took action on a significant amount of legislation and conducted a number of legislative, oversight, and investigatory hearings. The following material briefly summarizes the activities and accomplishments of each subcommittee.

SUBCOMMITTEE ON PATENTS, COPYRIGHTS AND TRADEMARKS

Mr. Mathias, Chairman

Mr. Laxalt	Mr. Leahy
Mr. Hatch	Mr. Metzenbaum
Mr. Simpson	Mr. DeConcini
Mr. Specter	Mr. Kennedy

Jurisdiction

The jurisdiction of the Subcommittee on Patents, Copyrights and Trademarks includes patent, copyright and trademark law; the Patent and Trademark Office; the Copyright Royalty Tribunal; trademark counterfeiting; trade secrets (joint referral with Subcommittee on the Constitution in connection with Freedom of Information Act); matters of international law within Committee jurisdiction including international treaties jointly referred to Foreign Relations and Judiciary; and privacy matters (exclusive of the Privacy Act and of civil liberties).

Oversight Activities

During 99th Congress, the Subcommittee on Patents, Copyrights and Trademarks held oversight hearings on:

Civil and Criminal Enforcement of the Copyright Laws (1 day);
U.S. Adherence to the Berne Convention (2 days);
Office of Technology Assessment Report on Intellectual Property Rights in an Age of Electronics and Information (1 day; joint hearing with House Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice).

Legislative Activities

During the 99th Congress, 28 Senate bills and 8 House bills were either referred to the subcommittee or handled on the floor of the Senate without Committee referral. Five of these measures were enacted into law.

During the 99th Congress the subcommittee held 10 days of legislative hearings on the following bills:

Patent and Trademark Office Re-authorization (S. 866 and H.R. 2434);
Agricultural Chemicals Patent Term Restoration (S. 1093);
Process Patent Amendments (S. 1543);
Home Audio Recording Act (S. 1739) (2 days);

Electronic Communications Privacy Act (S. 1667);
Copyright Holders Protection Act (S. 1384);
Cultural Property Repose Act (S. 1523);
Extending the Manufacturing Clause of the Copyright
  Act (S. 1822 and S. 1938);
Source Licensing (S. 1980).

Measures Enacted Into Law

Low Power Television

Public Law 99-377 (H.R. 3108) Mr. Kastenmeier et al.: An Act to amend title 17, United States Code, to clarify the definition of the local service area of a primary transmitter in the case of a low power television station. (Senate companion bill: S. 1526, Mr. Mathias et al.)

Federal Technology Transfer Act

Public Law 99-502 (H.R. 3773) Mr. Fuqua: The Federal Technology Transfer Act, to amend the Stevenson-Wydler Technology Innovation Act of 1980 to promote technology transfer by authorizing Government-operated laboratories to enter into cooperative research agreements and by establishing a Federal Laboratory Consortium for Technology Transfer within the National Science Foundation.

Electronic Communications Privacy Act

Public Law 99-508 (H.R. 4952) Mr. Kastenmeier et al.: The Electronic Communications Privacy Act, to amend the Federal criminal code to extend the prohibition against unauthorized interception of communications to specified types of electronic communications. It also prohibits unauthorized access to an electronic communications system in order to obtain or alter information contained in such a system. (Senate companion bill: S. 2575, Messrs. Leahy, Mathias and Thurmond.)

Patent and Trademark Office Authorization

Public Law 99-___ (H.R. 2434) Mr. Kastenmeier et al.: An act to re-authorize the Patent and Trademark Office through fiscal year 1988. It also prohibits the Commissioner of Patents and Trademarks from increasing fees during the authorization period; reduces fees for independent inventors, non-profit organizations, and small businesses; and greatly strengthens Congressional oversight of the Patent and Trademark Office and its automation effort. (Senate companion bill: S. 866, Mr. Mathias)

Patent Cooperation Treaty

Public Law 99-___ (S. 1230) Mr. Mathias et al.: An act to remove the reservation to Chapter II of the Patent and Cooperation Treaty.

Other Measures Actively Considered

During the 99th Congress, the subcommittee reported six bills (H.R. 2434, S. 1093, S. 1230, S. 1543, S. 1739, and S. 2575), and was discharged from consideration of four bills (S. 1002, S. 1822, S. 1938, and S. 1980).

S. 1093, Mr. Mathias; Mr. Thurmond; Mr. Biden; Mr. Dole; Mr. Mr. DeConcini; Mr. Heflin; Mr. Denton; Mr. Specter: A bill to provide patent term restoration to agricultural chemicals. (Added as amendment to S. 2792, the Federal Insecticide, Fungicide, and Rodenticide Act; See H.R. 2482)

S. 1543, Mr. Mathias; Mr. Lautenberg; Mr. Laxalt; Mr. DeConcini; Mr. Specter; Mr. Denton; Mr. Dixon: The process patent amendments. (Committee ordered bill reported with an amendment in the nature of a substitute) (See H.R. 4899 Patent Equity Act)

S. 1739, Mr. Mathias; Mr. Hatch; Mr. D'Amato; Mr. Wilson; Mr. Cochran; Mr. Kennedy; Mr. Cranston; Mr. Sasser; Mr. Gore; Mr. Simon; Mr. Leahy: The Home Audio Recording Act. (Committee held additional hearing; placed on Committee agenda)

S. 1002, Mr. Thurmond; Mr. Specter; Mr. Metzenbaum: A bill to amend the Lanham Act to improve certain provisions relating to concurrent registrations. (Committee ordered bill reported favorably without amendment) (Passed Senate without amendment with Voice Vote)

S. 1822, Mr. Thurmond; Mr. Leahy; Mr. Laxalt; Mr. Hatch; Mr. Grassley; Mr. Specter; Mr. McConnell; Mr. Simon; Mr. Sasser; Mr. Dixon; Mr. Danforth; Mr. Quayle: A bill to extend the manufacturing clause of the Copyright Act. (Committee ordered bill reported favorably with an amendment in the nature of a substitute. S.Rept.99-303) (Sequentially referred to the Committee on Finance; ordered-reported with an amendment in the nature of a substitute. S.Rept. 99-322) (Placed on Senate Legislative Calendar under General Orders. Calendar No. 681)

S. 1938, Mr. Metzenbaum; Mr. Leahy; Mr. Simon; Mr. Specter; Mr. DeConcini: A bill to extend the manufacturing clause of the Copyright Act. (Indefinitely postponed by full Committee; see S. 1822)

S. 1980, Mr. Thurmond; Mr. Zorinsky; Mr. East; Mr. Simpson; Mr. Kerry: A bill regarding the conveyance of audiovisual works. (Hearings held)

SUBCOMMITTEE ON THE CONSTITUTION

Mr. Hatch, Chairman

Mr. Thurmond	Mr. DeConcini
Mr. Grassley	Mr. Simon

Jurisdiction

Constitution amendments; constitutional convention procedures; civil rights laws; civil liberties; Freedom of Information (with joint referral to Subcommittee on Patents, Copyrights and Trademarks on issue of trade secrets); compacts; apportionment of representatives; U.S. Commission on Civil Rights; oversight of Civil Rights Division of the Department of Justice; separation of powers between the branches of the National government; division of powers between the National and State governments; government information.

Legislative Activities

During the 99th Congress 26 Senate bills, three Senate resolutions, 22 Senate joint resolutions, and one House bill were referred to the Subcommittee. The Subcommittee held 18 days of legislative hearings and three days of mark-ups. The hearings were held on:

Balanced Budget Constitutional Amendment
Constitutional Issues/Genocide Convention
Abortion Funding Restriction Act
Fetal Pain
Constitutional Amendment Relating to School Prayer
Bicentennial of the Constitution
Civil RICO Reform
Legal Fees Equity Act
Supplementary Extradition Treaty -- US and UK
Municipal Liability
Court Interpreters Improvement Act
Newspaper Preservation Act
False Claims and Fraud Legislation
California/Nevada Interstate Compact
Product Liability

Measures Enacted Into Law

Criminal Justice Act Revision

Public Law 99- (S. 1581), Mr. Thurmond et al.:
Amends the federal criminal code to revise provisions concerning the appointment of counsel in federal criminal proceedings;

Arkansas-Mississippi Great River Bridge Construction Compact

Public Law 99-560 (S. 1082) Mr. Cochran: Grants congressional consent to Arkansas-Mississippi Great River Bridge Construction Compact. This measure passed the Senate by voice vote.

Freedom of Information Reform Act

Public Law 99-570 (S. 150) Portions of S. 150 were passed as part of H.R. 5484, the Drug Enforcement, Education, and control Act of 1986. These provisions amend the current exemption seven of the Freedom of Information Act to enhance the ability of Federal law enforcement agencies such as the FBI and the DEA to combat crime. The provisions enhance protections within exemption 7(C) of the Act. Thus, the new exemption applies to information which "could reasonably be expected to" cause harm to confidential law enforcement informants and investigations.

Other Measures Actively Considered

Of the Senate Resolutions and Senate bills considered by the subcommittee, two resolutions and ten bills were favorably approved by the subcommittee for full committee action. The following bills were favorably approved by the Constitution Subcommittee but failed to receive consideration by the full Committee before adjournment sine die:

S. 436, Municipal Liability, (Mr. Hatch) would significantly relieve the liability crisis facing local government by restricting the scope of 42 U.S.C. 1983 to constitutional and civil rights claims and establishing a good faith defense for governmental entities. The bill also establishes a uniform statute of limitations for Section 1983 actions and requires exhaustion of administrative and state remedies prior to bringing an action under Section 1983. S. 436 passed the subcommittee by voice vote;

S. 37, the Public School Civil Rights Act, (Mr. Hatch) which provides adequate civil rights for our public school students. The bill eliminates inferior federal court jurisdiction requiring the assignment or transportation of students to public schools on the basis of race, color or national origin.

Nine of these measures were subsequently favorably approved by the full committee following subcommittee passage. The following bills were approved by the full committee but were not passed by the full Senate before adjournment sine die:

S.J. Res. 13, the Balanced Budget Constitutional Amendment, (Mr. Thurmond) which would re-establish constitutional limitations upon Federal deficits. A similar resolution, S.J. Res. 225, failed by one vote, 66-34, to get the two-thirds supermajority necessary for approval of a constitutional amendment proposal. The proposed constitutional amendment addresses a serious spending bias in the present fiscal process arising from the fact that Members of Congress do not have to cast votes on behalf of new taxes in order to accommodate new spending programs;

S.J. Res. 2, the Voluntary Silent Prayer Constitutional Amendment, (Mr. Hatch) which overturns the 1985 Supreme Court decision Jaffree v. Wallace. The purpose of of S. J. Res. 2 is to restore, in the limited area of silent public school prayer, what the Committee views to be the original understanding of the establishment clause of the First Amendment to the Constitution. The proposed constitutional amendment would allow for a brief period of silent prayer or reflection by public school students;

S. 1853, the Court Interpreters Improvement Act (Mr. Hatch), provides for the use of simultaneous or consecutive translation at grand jury hearings for the relevant language, or to assist the hearing impaired. S. 1853 would extend interpreter coverage to witnesses who testify before a grand jury.

The following bills were approved by the full committee and passed by the Senate but Congressional action was not completed before adjournment sine die:

S. 86, the Sex Discrimination in the United States Code Reform Act (Mr. Dole) would amend provisions of the United States Code to eliminate gender based distinctions; and

S. 1421, (Mr. Spector) would grand congressional approval to a modification to the Sesquehanna River Compact relating to the rate of interest on bonds issued by the Sesquehanna River Basin Commission. This bill passed the Senate by voice vote.

SUBCOMMITTEE ON CRIMINAL LAW

Mr. Laxalt, Chairman

Mr. Thurmond	Mr. Biden
Mr. Specter	Mr. Kennedy
Mr. Mathias	Mr. Metzenbaum

Jurisdiction

The jurisdiction of the Subcommittee on Criminal Law includes criminal laws, criminal justice proceedings, Federal Rules of Criminal Procedure, and oversight of the Bureau of Prisons, the United States Parole Commission, and the Criminal Division of the Department of Justice.

Legislative Activities

During the 99th Congress, 73 bills were referred, either exclusively or jointly, to the Subcommittee on Criminal Law. The Subcommittee held hearings on five measures:

Legislation to amend the National Stolen Property Act (S. 605);

Legislation to eliminate the use of cable television and interstate telephone service for the transmission of obscene and indecent material (S. 1090);

Legislation to allow access by railroad police and private university and college police to federal government criminal identification records (S. 1203);

Legislation to amend the Armed Career Criminal Act (S. 2312); and,

Legislation to amend the Public Safety Officers Benefits Act (S. 917, S. 1479, and S. 2499).

Measures Enacted Into Law

Minor and Technical Amendments to the Comprehensive Crime Control Act of 1984

Public law 99- (S. 1236) Mr. Thurmond et.al.: An Act to make minor and technical amendments to provisions enacted by the Comprehensive Crime Control Act of 1984.

SUBCOMMITTEE ON IMMIGRATION AND REFUGEE POLICY

Mr. Simpson, Chairman

Mr. Grassley	Mr. Kennedy
Mr. Denton	Mr. Simon

Jurisdiction

The Subcommittee is responsible for oversight of the Immigration and Naturalization Service of the Department of Justice, the Bureau of Consular Affairs and the Bureau for Refugee Programs of the Department of State, and the Office of Refugee Resettlement of the Department of Health and Human Services. It is also responsible for legislation with regard to immigration and nationality laws, refugee laws, private immigration laws, and the budget of the Immigration and Naturalization Service.

Oversight Activities

During the 99th Congress, the Subcommittee held nine days of oversight hearings on the following topics:

- -- effects of famine on African refugees (1 day)
- -- proposed budget for Immigration and Naturalization Service for fiscal years 1986 and 1987 (2 days)
- -- annual consultation on refugee admissions levels for fiscal years 1986 and 1987 (2 days)
- -- mid-year consultation on activities of U.S. refugee program, FY 1986 (1 day)
- -- attempted defection of Miroslav Medvid, and U.S. government response to his case (3 days).

In addition, the Subcommittee published two reports concerning subjects in its area of oversight responsibility: 1) The Miroslav Medvid Incident: October 24-29, 1986, and 2) U.S. Refugee Program in Southeast Asia 1985.

Legislative Activities

The Subcommittee held six days of legislative hearings on the following subjects:

Immigration Reform and Control Act of 1985, S.1200 (3 days)

Anti-discrimination provisions of Immigration Reform and Control Act, S. 1200 and H.R. 3810, joint hearing with the House Subcommittee on Immigration, Refugees, and International Law (1 day)

Extended Voluntary Departure Issues, S. 377 (1 day)

Immigration Marriage Fraud, S. 2270 (1 day)

The Subcommittee also received testimony concerning the Refugee Act reauthorization bills (S. 1262 and H.R. 1452) during the annual and mid-year consultations on refugee admissions.

The Committee on the Judiciary issued reports on the following bills referred to the Subcommittee: Immigration Reform and Control Act, S. 1200; Refugee Assistance Extension Act, S. 1262; and Immigration-Related Marriage Fraud, S. 2270.

Measures Enacted into Law

Immigration Reform

Public Law 99 - (S. 1200), the Immigration Reform and Control Act of 1986, makes major reforms in the Nation's immigration laws. The legislation had been in process for nearly six years, and its purpose was to control illegal immigration. The bill contained provisions to penalize employers who knowingly hired illegal aliens, to create a secure system to determine work eligibility in the U.S., to increase the enforcement and service resources of the Immigration and Naturalization Service, to provide necessary foreign labor for U.S. agricultural employers, and to grant legal status to those aliens who had lived here illegally since before January 1, 1982.

Marriage Fraud

Public Law 99 - (H.R. 3737) was enacted to deter immigration-related marriage fraud.

Visas For Alien Crewmen In Guam

Public Law 99 - 505 (H.R. 2224) was enacted to revise visa issuance procedures for certain alien crewmen in Guam.

Refugee Domestic Resettlement Program

Public Law 99 - (H.R. 1452) was enacted to reauthorize for two years the refugee domestic resettlement program.

Consular Efficiency

Public Law 99 - (H.R. 4444) was enacted to amend the Immigration and Nationality Act and other federal statutes with regard to: (1) adopted children; (2) foreign state chargeability; (3) recordkeeping requirements; (4) loss of nationality, and; (5) parent and child transmission of citizenship.

Private Relief Legislation

Of the 27 Senate bills and 9 House bills that were referred to the Subcommittee, 16 bills were enacted into private law.

SUBCOMMITTEE ON COURTS

Mr. McConnell, Chairman*

Mr. Thurmond	Mr. Heflin
Mr. Simpson	Mr. DeConcini
Mr. Laxalt	

*Senator John P. East, of North Carolina, was Chairman of the Subcommittee until his death on June 29, 1986, at which point Senator Mitch McConnell became Chairman of the Subcommittee.

Jurisdiction

The jurisdiction of the Subcommittee on Courts included oversight and and legislative responsibilities for the Federal courts; Administrative Office of the United States Courts, civil judicial proceedings; local courts in the territories and possessions; court reform and alignment; judicial disability and tenure; Federal Rules of Civil Procedure; jurisprudence; oversight of Civil Division of the Department of Justice; and bankruptcy.

Legislative Activities

During the 99th Congress, 33 Senate bills, and five House Resolutions were referred to the Subcommittee. Two of these measures, H.R. 2183 and H.R. 3570, were enacted into law.

Measures Enacted Into Law

Court Of International Trade

Public Law 99 - 466 (H.R. 2183 - Mr. Rodino), which authorizes the participation of judges on the Court of International Trade in judicial conferences, was reported favorably by the Full Committee.

Judicial Survivors Annuities Reform Act of 1985

Public Law 99 - 336 (H.R. 3570 - Mr. Kastenmeier, et al.), the Judicial Survivors' Annuities Reform Act of 1985 was enacted to increase the annuities available to the survivors of Article III judges.

Other Measures Actively Considered

S. 704 (Mr. Thurmond, Mr. Heflin, Mr. Dole, Mr. Simpson, Mr. Laxalt, Mr. Hatch, Mr. Denton, Mr. Specter, Mr. McConnell, Mr. DeConcini, Mr. Hatfield, Mr. Cochran, and Mr. McClure) proposed a panel of Circuit Judges to decide intercircuit conflicts upon the referral of the Supreme Court. The Subcommittee held one day of hearings on this bill, S. Hrg. 99-383. It was amended and reported favorably at both the Subcommittee and Full Committee levels; the measure was not acted upon by the full Senate.

S. 705 (Mr. Burdick) would have established separate provisions governing family farm reorganizations. The Subcommittee held two days of joint hearings with the Subcommittee on Administrative Practice and Procedure, S. Hrg. 99-83.

S. 1392 (Mr. DeConcini, Mr. Dixon, Mr. Hatch, Mr. Cochran, Mr. Matsunaga, and Mr. Inouye), the Judicial Survivors' Annuities Reform Act of 1985, was incorporated into similar measure H.R. 3570 (also referred to the Subcommittee), which was enacted into P.L. 99-336. This Act increases the annuities available to the survivors of Article III judges. The Subcommittee held one day of hearings on S. 1392 and H.R. 3570, S.Hrg. 99-594.

S. 1961 (Mr. Thurmond, Mr. DeConcini, Mr. Andrews, Mr. Burdick, Mr. D'Amato, Mr. Dixon, Mr. Simon, and Mr. Warner) sought to make permanent and nationwide the existing experimental United States Trustee program. The Subcommittee held one day of hearings on this bill.

S. 2424 (Mr. Thurmond), which amended the interest provisions of the Declaration of Taking Act, was reported favorably by the Full Committee. The House Companion to this measure, H.R. 5363, was enacted into P.L. 99-___. This law provides a formula for determining interest payments in cases where the Federal Government acquires land pursuant to a Declaration of Taking.

S. 2529 (Mr. Thurmond and Mr. Laxalt) sought to provide for retired Magistrates to be recalled to service and to provide a retirement system for U.S. Magistrates equal to that of Bankruptcy Judges. The Subcommittee held one day of hearings on this legislation. Portions of this bill were incorporated into H.R. 3004 (via S. 1581) and were enacted into P.L. 99-__.

S. 2531 (Mr. Grassley, Mr. Denton, and Mr. Trible) sought to amend Federal bankruptcy provisions to make nondischargeable any debt arising from a judgment, consent agreement, or claim requiring an individual debtor to make restitution as a result of a violation of state law. The Subcommittee held one day of hearings on S. 2531.

H.R. 439 (Hall, et al.) would have required an administrative body to notify the judicial panel on multidistrict litigation if administrative review petitions regarding the same order are filed in multiple appellate courts. After being reported favorably by the Subcommittee and full Committee, this bill was considered and passed by the Senate with amendments. The House failed to take further action.

SUBCOMMITTEE ON ADMINISTRATIVE PRACTICE AND PROCEDURE

Mr. Grassley, Chairman

Mr. Specter	Mr. Metzenbaum
Mr. Broyhill*	Mr. Heflin

*Senator John P. East, of North Carolina, was a member of the Subcommittee until his death on June 29, 1986, at which point Senator James T. Broyhill became a member of the Subcommittee.

Jurisdiction

The jurisdiction of the Subcommittee on Administrative Practice and Procedure included the Administrative Procedure Act, regulatory procedures oversight of Lands and Natural Resources Division of the Department of Justice, legislative veto, consumer interest in Federal agency and Executive Branch actions, appeal of Federal agency determination of procedures, and claims against the United States.

Oversight Activities

During the 99th Congress, the Subcommittee on Administrative Practice and Procedure held oversight hearings on the Internal Revenue Service and the Administrative Conference of the United States. The Subcommittee held 17 additional days of hearings on issues within its jurisdiction including (a) the farm credit crisis and farm bankruptcy (S. 2249); (b) the indemnification of government contractors; (c) agency flow of information; (d) defense procurement fraud; and (e) the prosecution of Soviet embassy demonstrators.

Legislative Activities

During the 99th Congress, the Subcommittee on Administrative Practice and Procedure received a total of 12 House bills and 58 Senate bills. Six of these bills were the subject of the following hearings: Military; Medical Malpractice (H.R. 3174 and S. 489); Administrative Law Judges Corps (S. 580 and S. 674); the False Claims Reform Act (S. 1562); and the Rulemaking Procedures Act of 1985 (S. 1145). S. 1145, which would increase the accountability of, policy coordination by, and management of priorities by agencies through an improved mechanism for congressional oversight of the rules of agencies, was favorably reported to the Senate by the Full Committee.

Measures Enacted into Law

Equitable Waiver Act

Public Law 99-224 (H.R. 1890), by Mr. Hall, provides for an equitable waiver in the compromise and collection of Federal claims.

Administrative Conference Authorization

Public Law 99-470 (H.R. 4588), by Mr. Glickman, authorizes appropriations for the Administrative Conference of the United States.

False Claims Act

Public Law 99-562 (S. 1562), by Mr. Grassley, amends the False Claims Act and title 18 of the United States Code regarding penalties for false claims and for other purposes.

Farm Bankruptcy Reform

Public Law 99-554 (S. 2249), by Mr. Grassley, adds a new chapter to the Bankruptcy Act, title 11 of the United States Code, to aid in the reorganization of family farms.

Private Relief Legislation

Of the 12 House bills, nine were private relief bills. Of the 58 Senate bills, 37 were private relief bills and eight were Senate resolutions. Out of 46 private relief bills, 11 were favorably reported from the Subcommittee. Of the eight that eventually passed the Senate, four were enacted into law, one was vetoed and (at this writing) one was awaiting the President's signature. The remaining two were referred to the United States Claims Court by Congressional reference.

SUBCOMMITTEE ON SECURITY AND TERRORISM

Mr. Denton, Chairman

Mr. Hatch	Mr. Leahy
Mr. McConnell	Mr. DeConcini
Mr. Broyhill*	

*Senator John P. East, of North Carolina, was a member of the Subcommittee until his death on June 29, 1986, at which point Senator Broyhill became a member of the Subcommittee.

Jurisdiction

Terrorism; mutiny; espionage; counterfeiting; oversight of Federal Bureau of Investigation, the Drug Enforcement Administration and the Marshals Service of the Department of Justice; oversight of legal attaches (Legats).

Oversight Activities

During the 99th Congress, the Subcommittee on Security and Terrorism, chaired by Senator Jeremiah Denton, held a total of 15 hearings: eight hearings dealing with oversight of, and authorization for, the Federal Bureau of Investigation (FBI), the Drug Enforcement Administration (DEA) and the U.S. Marshals Service; two hearings on legislative initiatives; and four hearings dealing with issues of domestic and international terrorism which included a review of domestic mercenary counter-terrorism training camps, Libyan-sponsored terrorism, and legal mechanisms to combat terrorism. The latter hearing focused on those available civil and criminal actions which could be taken against Yassir Arafat's Palestine Liberation Organization (PLO). An additional hearing was held on the use of computers to transmit material inciting crime.

In addition, the full Committee held three days of joint hearings with the Committee on Foreign Relations on International Terrorism, Insurgency and Drugs, matters within the Subcommittee's jurisdiction. These hearings assisted in progress towards developing a more cohesive policy on terrorism.

To augment the transcripts of the joint hearings, the Subcommittee published a report on "State Sponsored Terrorism" by Dr. Ray Cline and Dr. Yonah Alexander of the Center for Strategic and International Studies at Georgetown University. The report defines and analyzes the steadily increasing phenomenon of state sponsored terrorism and suggests appropriate responses from the viewpoint of the United States.

The Subcommittee also published a report entitled, "Terrorism in Italy: An Update Report, 1983-1985," which brings the examination of the terrorist phenomenon in Italy, as reported by the Subcommittee in 1984, up-to-date.

Legislative Activities

During the 99th Congress, fifteen Senate bills were referred to the Subcommittee. Four of these measures were enacted into law. The Subcommittee held a hearing on S. 1373 and S. 1429, bills to amend title 18, United States Code, to authorize prosecution of terrorists and others who attack U.S. Government employees and citizens abroad. At the same hearing, S. 1508, a bill authorizing the death penalty for first-degree terrorist murder was also considered. The Subcommittee conducted a legislative hearing on S. 2044, the "United States Marshals Service Act," a bill to enhance the professionalism of the Marshals Service. This measure provides both a statutory basis for the Service's many responsibilities and the necessary authority and flexibility to discharge those responsibilities in the most qualitative and efficient manner possible. This latter hearing, together with the general oversight hearing for the Marshals Service, also explored the feasibility of transferring the Unlawful Flight to Avoid Prosecution (UFAP) program from the FBI to the Marshals Service.

Measures Enacted Into Law

Nuclear Plant Security

Public Law 99-399, the Omnibus Diplomatic Security and Antiterrorism Act (H.R. 4151), section 606. (S. 274) Messrs. Denton and Leahy: Nuclear Power Plant Security and Anti-terrorism Act, a bill requiring fingerprinting and criminal history record checks for certain employees of nuclear power plants.

Terrorist Prosecution Act

Public Law 99-399, section 1202. (S. 1429) Messrs. Specter, Denton, and Leahy: Terrorist Prosecution Act, a bill to establish extraterritorial criminal jurisdiction over serious violent attacks by terrorists upon U.S. nationals.

Espionage Forfeiture

Public Law 99-399, Section 1306 (S. 1654) Messrs. Stevens, Denton, and Leahy: A bill to establish forfeiture remedies against those convicted of certain espionage offenses.

Intelligence Authorization Act

Public Law 99-569. (H.R. 4759, the House companion to S. 2477) Mr. Durenberger: the "Intelligence Authorization Act for Fiscal Year 1987."

In addition, revised versions of the following bills became public law:

Freedom of Information

Public Law 99-570. (H.R. 5484) The Anti Drug Abuse Act, section 1802(c)(3), incorporated a revised version of S. 276, introduced by Mr. Denton, which reforms disclosure, via Freedom of Information Act request, of FBI's records pertaining to foreign intelligence or counterintelligence, or international terrorism.

Embassy Security

Public Law 99-399, section 1302. Incorporated sense of the Congress language concerning demonstrations at embassies in the District of Columbia. This language was developed as a result of Senate passage of S. 2508, introduced by Mr. Grassley.

Finally, through the efforts of the Subcommittee, commemorative resolutions were passed proclaiming October 23, 1985 and 1986, "A Time of Remembrance" for all victims of terrorism throughout the world. (Public Laws 99-132 and 99-403). This date marked the second and third anniversary of the terrorist bombing of the multinational peace-keeping mission in Beirut, Lebanon. This legislation and the commemorative ceremony held on October 23, 1985, at Arlington National Cemetery were of international significance and were met with appreciation and support from around the world.

SUBCOMMITTEE ON JUVENILE JUSTICE

Mr. Specter, Chairman

MR. DENTON
MR. MATHIAS
MR. MCCONNELL
MR. SIMON
MR. METZENBAUM

JURISDICTION

The jurisdiction of the Subcommittee on Juvenile Justice includes oversight responsibility for Federal programs administered under the Juvenile Justice and Delinquency Prevention Act and the Runaway and Homeless Youth Act.

OVERSIGHT ACTIVITIES

During the 99th Congress, the Subcommittee on Juvenile Justice held oversight hearings on:

Issues surrounding the search for Dr. Josef Mengele (2 days);
To examine the involvement of juveniles in fire incidents;
To explore the problems of juvenile victims in sexual assault cases;
To review the Federal role in addressing youth suicide, focusing on research, education, and prevention programs;
On activities of the Office of Juvenile Justice and Delinquency Prevention, focusing on the Missing Children's Program, the Formula Grant Program, and research and special emphasis grants (2 days);
On the plight of missing children, focusing on private sector initiatives to assist in efforts to find missing children and to investigate the dangers of fraud and abuse in efforts to recover missing children;
On the problem of parental abduction and child support enforcement.

LEGISLATIVE ACTIVITIES

During the 99th Congress, 22 Senate bills were either referred to the subcommittee or handled on the floor of the Senate without Committee referral. One of these measures was enacted into law.

During the 99th Congress, the subcommittee held six days of legislative hearings on the following bills:

Child Abuse Victims Rights Act of 1985 (S. 985);
Computer Pornography and Child Exploitation Act of 1985 (S. 1305);
Child Victim Witness Protection Act of 1985 (S. 1156);
A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide States with assistance to establish or expand clearinghouses to locate missing children (S. 1174);
A bill to prevent sexual molestation of children in Indian Country (S. 1818);

Child Sexual Abuse and Pornography Act of 1986 (S. 2398).

MEASURES ENACTED INTO LAW

Child Molestation

Public Law 99-303 (S. 1818) Mr. Denton et al.: A bill to prevent the sexual molestation of children in Indian Country.

99th CONGRESS
LEGISLATIVE STATISTICS
COMMITTEE ON THE JUDICIARY

Total Measures Introduced or Presented in the Senate	Measures Received by the Committee on the Judiciary	Percentage of Measures Received in Committee
2,954 Senate Bills	544 Senate Bills	18%
432 S.J.Res.	323 S.J.Res.	75%
519 S.Res.	31 S.Res.	6%
175 S.Con.Res.	17 S.Con.Res	9%
4,080 Total Senate Measures Introduced	915 Total Senate Measures Received	21%
507 House Bills	15 House Bills	11%
151 H.J.Res.	57 H.J.Res.	38%
88 H.Con.Res.	7 H.Con.Res.	8%
746 Total House Measures Presented	123 Total House Measures Received	16%
4,826 Total Measures Introduced/Presented	1,038 Total Measures Received	21%

Total Measures Reported by all Senate Committees	Measures Reported to the Senate by the Committee on the Judiciary	Committee on the Judiciary Measures as a percentage of all Measures reported to the Senate
385 Senate Bills	87 Senate Bills	23%
227 S.J.Res.	195 S.J.Res.	85%
110 S.Res.	8 S.Res.	7%
22 S.Con.Res.	3 S.Con.Res.	13%
744 Total Senate Measures Reported	293 Total Senate Measures Reported	39%
119 House Bills	24 House Bills	20%
42 H.J.Res.	29 H.J.Res.	7%
7 H.Con.Res.	3 H.Con.Res.	43%
168 Total House Measures Reported	56 Total House Measures Reported	33%
912 Total Measures Reported	349 Total Measures Reported	38%

Total Measures Passed by the Senate	Committee on the Judiciary Measures Passed by the Senate	Committee on the Judiciary Measures as a percentage of Measures passed by the Senate
236 Senate Bills	59 Senate Bills	20%
240 S.J.Res.	198 S.J.Res.	65%
143 S.Res.	13 S.Res.	9%
57 S.Con.Res.	3 S.Con.Res.	5%
776 Total Senate Measures	273 Total Senate Measures	35%
277 House Bills	35 House Bills	13%
127 H.J.Res.	44 H.J.Res.	34%
56 H.Con.Res.	3 H.Con.Res.	5%
460 Total House Measures	82 Total House Measures	17%
1,236 Total Measures Passed	355 Total Measures Passed	27%

Total Measures which became Public Law	Committee on the Judiciary Measures which became Public Law	Committee on the Judiciary Measures as a percentage of Measures which became Public Law
	10 Senate Bills	
	150 S.J.Res.	
	29 House Bills	
	76 H.J.Res.	
570 Total Measures	265 Total Measures	44%

YEAR END REPORT OF COMMITTEE ON LABOR AND HUMAN RESOURCES

INTRODUCTION

Under the chairmanship of Orrin Hatch, the Labor and Human Resources Committee has legislative jurisdiction over 1100 federal programs in 140 appropriations accounts. These programs are found in the Departments of Health and Human Services, Labor, and Education as well as 123 independent agencies, councils, and bureaus.

During the 99th Congress, the Committee held 48 hearings, 14 Executive Sessions, and reported 57 bills, 45 of which were passed by the full Senate, and 35 were signed into law or approved over the President's veto. In addition, the full committee considered 200 Executive Branch nominations, 173 of which were reported to and confirmed by the full Senate. The legislative focus of the Committee's activities included reducing the taxpayer cost of federal programs, expanding or altering services in the response to changing human needs, and further defining the appropriate function of the federal government in various programs under the Committee's jurisdiction.

HEALTH ISSUES

During the 99th Congress, the full committee completed legislative consideration of major health and human services reauthorizations, refining programs for essential services to better meet the need for such services. The result is more efficient use of federal funds, the taxpayer's dollars, while maintaining support for those citizens most in need.

Under the direction of Chairman Hatch, major health and human services legislation was authored, considered, reported to the full Senate, and signed into public law by President Reagan. Major efforts included full committee hearings on the following: Drug Export Reform, Animal Drug Amendments and Patent Term Restoration Act, Over-the-Counter Product Packaging Safety, Home Health Care for Chronically Ill Children, the Barriers to Adoption, Acquired Immune Deficiency Syndrome (AIDS), Organ Transplantation, Childhood Vaccine Injury Compensation, Strategies to Reduce Hunger in America, Barriers to Health Care and Children's Health, and Medical Malpractice Liability Reform. The Committee continued its emphasis on health promotion, disease prevention and improving quality and length of life through individual lifestyle changes. The Committee spent its final days on increasing education, prevention and treatment efforts to reduce drug and alcohol abuse in our nation.

In addition, two hearings were held on the nominations of Dr. Otis R. Bowen as Secretary of the Department of Health and Human Services and Dr. Robert Windom as Assistant Secretary of Health at the Department of Health and Human Services.

Major highlights of the numerous pieces of health and human services legislation of the 99th Congress include fourteen resolutions signed into law, twenty-four hearings, eighteen new authorizations or reauthorizations signed into law, and two bills awaiting Presidential signature. Some of these are the following:

The Comprehensive Mental Health Plans of 1986 (S. 1744/P.L. 99-____) - This legislation consolidates several major health initiatives which include legislation intended to protect our nation's technological lead in biotechnology, by creating an estimated 10,000 jobs in the United States, and improving the pharmaceutical industry's international competitive position; ensuring availability of vaccines against childhood diseases and compensating injured children; encouraging review of physician services at the state and local level; improving services for the chronically mentally ill; targeting a cure for Alzheimer's Disease; improving geriatric care; seeking methods to reduce infant mortality; repealing federal health planning authorities; and reauthorizing certification of health maintenance organizations. This legislation will safeguard the breakthroughs of the emerging biotechnology industry, ensure a supply of vaccines to protect our children, reduce medical malpractice by protecting those who discipline doctors; provide planning for essential community care for mentally ill persons; and encourage research into cures for Alzheimer's Disease, thus ensuring adequate specialized training for those who care for our senior citizens.

The Anti-Drug Abuse Act of 1986 (H.R. 5498, Public Law 99-570) This major legislative initiative is addressed at reducing drug abuse throughout our nation. The major provisions under the jurisdiction of the Senate Labor and Human Resources Committee includes a $440 million increase in programs to treat, prevent and educate our nation, primarily our youth, on the problems of drug and alcohol abuse. Specific provisions in this package include increasing the funding of the Alcohol, Drug Abuse and Mental Health Block Grant, additional funding for state substance abuse programs, new education and prevention programs through schools and communities, and increasing research on the hazards of alcohol and drug abuse.

The Health Research Extension Act of 1985, (S. 1309, P.L. 99-158) - This legislation represents the first change in statutory responsibilities for the National Institutes of Health (NIH) since 1944. It provides strong support for federally funded biomedical reserach, and places a new emphasis on arthritis and nursing research by creating the 12th institute at NIH--the National Institute of Arthritis, Musculoskeletal and Skin Diseases, and by establishing the National Center for Nursing. It also reauthorizes the "war on cancer" by strengthening provisions of the National Cancer Act of 1971, and maintains special provisions supporting research related to heart and lung disease. It also ensures that the United States maintain its preeminence in health related research.

Orphan Drug Act Reauthorization (S. 1174, P.L. 99-570)- This law amends the Orphan Drug Provisions of the Federal Food, Drug and Cosmetic Act and repeals that requirement that exclusive marketing rights may only be granted to an orphan drug if the drug is not patentable. The law also establishes a National Commission on Orphan Disease to assess public and private activities with respect to research on rare diseases. Lastly it amends the Orphan Drug Act to allow federal grants and contracts for preclinical and clinical testing of orphan drugs.

Comprehensive Smokeless Tobacco and Health Education Act (S. 1574/P.L. 99-252) - This legislation is a major initiative to educate our citizens on the potential hazardous health impact of smokeless tobacco. This act requires smokeless tobacco companies to place one of three health warning labels on all smokeless tobacco products and printed advertisements, bans all television and radio advertisements, and creates a public education program on the health risks of smokeless tobacco products.

Nurse Education Amendments of 1985 (S. 1284, P.L. 99-92) - This legislation reauthorizes three-years of the nurse education programs supported under Title VIII of the Public Health Service Act. Its primary purpose is redefining the federal government's role in supporting nursing education and research.

Adoption Medicaid Legislation (S. 1628/P.L. 99-272) - This legislation requires states to continue Medicaid coverage for Medicaid-eligible children when they are adopted across state lines. This eliminates one major barrier to adopting medically dependent children.

Health Professions Training Assistance Act of 1985 (S. 1283/P.L. 99-129) - This legislation reauthorizes Title VII of the Public Health Service Act for three years which provides authorization for health manpower support. Programs refined or expanded include training of physician assistants; support for schools of allied health; support of graduate programs in clinical psychology; eligibility of schools of chiropratic; development of data on health professions; continuation of health education assistance loans (HEAL), health profession student loans (HPSL), and support of scholarships for first-year students of exceptional financial need.

The Health Service Amendments of 1985 (S. 1698, P.L. 99-117) - This represents a collection of various technical amendments to the Public Health Service Act.

President's Council on Health Promotion and Disease Prevention (S. 2057/P.L. 99-______) - This legislation creates a President's Council to take a comprehensive look at steps individuals can take to improve the quality and length of their lives and to evaluate current federal, state, local, and private secter efforts to educate the public on promoting healthy lifestyles and preventing diseases.

Primary Care Amendments (S. 1282, P.L. 99-280) - This legislation reauthorizes for 3 years federal support for Community Health Centers. These programs provide a wide range of health care services to Americans in areas that are medically underserved.

SCIENCE ISSUES

Following a hearing on April 30, 1985, S. 801, to authorize appropriations for the National Science Foundation for fiscal year 1986, was reported from committee on July 17, 1985, and passed by the Senate on September 26, 1985. After an agreement was reached with the House of Representatives, the bill was unanimously passed by House and Senate and signed by President Reagan (PL 99-159). This measure not only authorized expenditures for the specific research programs of the NSF, but also reauthorized the Education for Economic Security Act which provides federal assistance for upgrading mathematics and science education in the United States.

The Labor and Human Resources Committee passed another annual authorization bill for the National Science Foundation during the second session of the 99th Congress. S. 2184 was the subject of a hearing on March 26, 1986, and was reported to the full Senate on June 19, 1986. The bill was sequentially referred to the Commerce, Science and Transportation Committee for 30 days, and was passed by the Senate on August 2, 1986. The House of Representatives agreed to the Senate amendment clearing the bill for the President's signature. The bill became PL 99-383.

Also during the 99th Congress, the Labor and Human Resources Committee held two days of joint hearings with the Subcommittee on Nuclear Regulation of the Committee on Environment and Public Works on the radioepidemiological tables developed in accordance with section 7(b) of Public Law 97-414. These tables were developed for use in estimating an individual's exposure to ionizing radiation in the absense of specific dosage data. These hearings were held on June 11 and 12, 1985.

FULL COMMITTEE LABOR/EMPLOYMENT ISSUES

During the 99th Congress, the Labor and Human Resources Committee dealt with several labor and employment issues at the full committee level.

S. 1105, to amend the Federal Contractor Flextime Act (also known as Walsh-Healey), to permit overtime to be based on 40 hour weeks instead of 8 hour days, was reported from committee, and the provisions were subsequently incorporated into the Department of Defense reauthorization bill and signed into Public Law 99-145 on November 8, 1985. Hearings were held by the Labor Subcommittee.

S. 2864, the Department of Labor Executive Level Conforming Amendments, introduced by Senator Hatch for the Department of Labor, to change the title of Under Secretary of Labor to Deputy Secretary of Labor and to redesignate three current deputy under secretaries as assistant secretaries of Labor, was passed by Congress and is expected to be signed into public law.

The following full committee hearings were held during the 99th Congress:

February 27, 1985, addressing the issue of violence against employers, employees, union members, independent contractors, and the general public during labor disputes.

March 26, 1985, addressing the issue of violence against employers, employees, union members, independent contractors, and the general public during labor disputes.

May 22, 1985 on legislation providing for a youth opportunity wage designed to increase youth employment.

September 11, 1985, examining the relationship between the United States and the International Labor Organization.

September 25, 1985, examining ways in which the private sector may contribute toward relieving the problem of hunger throughout the world.

April 23, 1986, S. 1815, Polygraph Protection Act of 1985, to prevent the denial of employment opportunities by prohibiting the use of lie detectors by employers involved in or affecting interstate commerce.

April 30, 1986, examining the barriers faced by women who are reentering the labor force or educational programs.

September 25, 1986, general oversight of the Mine Safety and Health Administration and the Mine Safety and Health Review Commission.

The Committee on Labor and Human Resources ordered reported, S. 1968, the Railroad Unemployment Insurance Amendments, on December 10, 1985. The report was filed on April 15, 1986.

On June 25, 1986, the committee ordered reported S. 1815, the Polygraph Protection Act of 1985. The report was filed on September 17, 1986.

During the 99th Congress, the full committee held hearings on the following nominees:

William E. Brock III, to be Secretary of Labor, on April 23, 1985.

William C. Durrant III, Robert A. Valois, Mrs. Claude G. Swafford, LeaAnne Bernstein, Michael B. Wallace, Basile J. Uddo, Thomas S. Smegal, Jr., Lorain Miller, Hortencia Benavidez, Pepe J. Mendez, and Paul B. Eaglin, to be members of the Legal Services Corporation Board of Directors, on April 24, 1985.

Marshall B. Babson, to be a member of the National Labor Relations Board, on May 8, 1985.

Wilford W. Johansen, to be a member of the National Labor Relations Board, on May 8, 1985.

Donald E. Shasteen, to be Assistant Secretary of Labor for Veterans Employment, on May 16, 1985.

Dennis E. Whitfield, to be Under Secretary of Labor, on October 16, 1985.

Dennis M. Kass, to be Assistant Secretary of Labor for Pension and Welfare Benefit Programs, on October 16, 1985.

Joyce A. Doyle, to be a member of the Federal Mine Safety and Health Review Commission, on October 16, 1985.

Ford B. Ford, to be a member of the Federal Mine Safety and Health Review Commission, on October 16, 1985 and October 24, 1985.

Jeffrey I. Zuckerman, to be General Counsel of the Equal Employment Opportunity Commission, on December 10, 1985, March 4, 1986, and April 9, 1986.

Robert E. Rader, Jr., to be a member of the Occupational Safety and Health Review Commission, on March 12, 1986.

John A. Pendergrass, to be Assistant Secretary of Labor for Occupational Safety and Health, on May 9, 1986.

George R. Salem, to be Solicitor of Labor, on June 16, 1986.

Clarence Thomas, to be Chairman of the Equal Employment Opportunity Commission, on July 23, 1986.

SUBCOMMITTEE ON LABOR

The Senate Subcommittee on Labor, chaired by Senator Don Nickles, considered the following legislation during the first session of the 99th Congress.

S. 1570, the Fair Labor Standards Amendments Act of 1985, introduced by Senator Nickles, amends the Fair Labor Standards Act of 1938 to exclude the employees of States and political subdivisions of States from the provisions of that Act relating to maximum hours and clarifies the application of that Act to volunteers. S. 1570 was signed into Public Law 99-150 on November 13, 1985.

The following hearings were held during the first session:

March 19, Oversight on a proposed asbestos claims facility.

June 13, S. 1105, the Federal Contractor Employees Flextime Act.

July 25, S. 1570, Amending the Fair Labor Standards Act to exclude the employees of states and political subdivisions of states from the provisions of that Act relating to maximum hours and to clarify the application of that Act to volunteers.

August 28, at Oklahoma City, S. 1570, Amending the Fair Labor Standards Act to exclude the employees of states and political subdivisions of states from the provisions of that Act relating to maximum hours and to clarify the application of that Act to volunteers.

September 10, S. 1570, Amending the Fair Labor Standards Act to exclude the employees of states and political subdivisions of states from the provisions of that Act relating to maximum hours and to clarify the application of that Act to volunteers.

October 1, Oversight hearing on impact of tax proposal on private sector employees' benefits.

During the second session of the 99th Congress, the Subcommittee on Labor had several major pieces of legislation signed into public law.

S. 1227, the Single-Employer Pension Plan Termination Insurance Improvements Act of 1983, which was reported from the Labor Subcommittee and ordered reported from the full Labor Committee during the 98th Congress, was made a part of the full Committee's legislation which was included in the Budget Reconciliation bill, S. 1730, and signed into Public Law 99-272 on April 7, 1986.

S. 2148, the Sheltered Workshops bill, was introduced by Senator Nickles to amend the Fair Labor Standards Act of 1938 to require that wages based on individual productivity be paid to handicapped workers employed under certificates issued by the Secretary of Labor. While this bill was not reported out of Subcommittee, a compromise version of the bill, S. 2884, was later introduced by Senators Nickles, Hatch, and Metzenbaum on the Senate floor, where it was passed, and signed into Public Law 99-486 on October 16.

S. 1054, to remove the mandatory retirement requirement from the Age Discrimination in Employment Act was not reported out of Subcommittee, however, a compromise version of the bill, H.R. 4154, was introduced on the Senate floor. The measure was passed by both the Senate and House of Representatives and is expected to be signed into public law.

The following hearings were held during the second session:

March 18, Oversight hearing of retirement policies for firefighters, law enforcement officers, and other employees whose job performance affects the public's health and safety.

April 24, S. 1018, amending the National Labor Relations Act to clarify the meaning of the term "guard" for the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards.

May 15, S. 2050, the High Risk Occupational Disease Notification and Prevention Act.

SUBCOMMITTEE ON EDUCATION, ARTS AND HUMANITIES

The Subcommittee on Education, Arts and Humanities, chaired by Senator Robert T. Stafford, has authorizing jurisdiction for federal education programs. Along with elementary, secondary, vocational, and higher education programs, this includes responsibility for the National Foundations on the Arts and the Humanities and federal programs for public libraries. During the 99th Congress, the Subcommittee completed reauthorizations of the Higher Education Act of 1965, the National Foundation for the Arts and Humanities Act of 1965, and the Office of Educational Research and Improvement.

The Higher Education Act is, perhaps, the most comprehensive and complex federal education law. It authorizes over 40 separate programs in its 13 titles and, under it, spending of nearly $7 billion occurs annually. The Subcommittee held six hearings in Washington and seven field hearings around the country in preparation for its reauthorization in the Higher Education Amendments of 1986.

On December 12th, the Subcommittee met to consider and report an original bill to reauthorize the Higher Education Act of 1965. The bill, as reported from the Subcommittee, was introduced on December 17th by Chairman Stafford for himself, and Senators Pell, Quayle, Weicker, Dodd, Wallop, Matsunaga, Simon, and Pressler.

On March 19, 1986, S. 1965 was marked-up by the full Committee on Labor and Human Resources. Committee members voted unanimously to report the bill, as amended by a committee substitute, to the full Senate. Amendments which were discussed and successfully adopted included: Senator Quayle's amendment allowing proprietary schools to participate in the College Work Study Program on campus, Senator Simon's amendment renaming the Talented Teacher Fellowship Program to honor Christa McAuliffe, Senator Simon's amendment giving the Secretary authority to stress early intervention for graduate training for minorities and women in the TRIO program, Senator Simon's amendment requiring schools to provide disclosure information for gifts received which value $100,000 or more, and Senator Stafford's amendment changing the rate of reinsurance to state guarantee agencies.

The full Senate debated S. 1965 on June 2nd and 3rd and the bill was passed by a vote of 96 to 1. The House and Senate subsequently conferenced S. 1965 and H.R. 3700 to resolve over 650 items of disagreement. The bill was signed by the President on October 17th, 1986 and became Public Law 99-498.

The reauthorization of the National Institute of Education, renamed the Office of Educational Research and Improvement by the Secretary of Education, was included as an amendment to S. 1965, and therefore was also signed into law by the President on October 17th, 1986.

On June 7, 1985, Senator Quayle, on behalf of himself, and Senators Stafford, Pell, Kennedy, Weicker, Simon, Wallop, Matsunaga, and Dodd, introduced S. 1264, a bill to reauthorize the National Foundation on the Arts and Humanities Act of 1965. This legislation promotes progress and scholarship in the Arts and Humanities by supporting local, state, and national initiatives.

On June 19th and 20th, 1985, the Subcommittee on Education, Arts and Humanities held hearings on the National Endowment for the Arts, the National Endowment for the Humanities, and the Institute of Museum Services. Testimony was received from 18 witnesses representing a wide variety of local, state, and national perspectives.

Following the hearing, the Subcommittee polled out the bill and thereby reported it unanimously to the full Committee on Labor and Human Resources. Senator Stafford subsequently proposed a substitute committee amendment which addressed concerns raised at the hearings. The bill was reported unanimously by the full Committee on July 31, 1985. The Senate approved S. 1264 on October 3, 1985, and, following a Conference with the House, it was signed by the President on December 20, 1985, and became Public Law 93-194. Additionally, a bill making technical amendments to this legislation was adopted by the Congress in May, 1986.

In July of 1985, the Subcommittee convened to discuss the American Defense Education Act, a bill which authorizes a national program of incentives to assist all local school districts in their efforts to improve the quality of instruction in the schools of the United States. The hearing provided members of the Subcommittee the opportunity to reexamine the needs of our nation's public schools.

The Subcommittee held a series of four hearings in the 99th Congress jointly with the House Subcommittee on Elementary, Secondary and Vocational Education on the serious problem of illiteracy in our country. These hearings responded to the growing number of Americans who cannot read and write well enough to participate in basic economic and social activities. The hearings gave the Subcommittees members a further understanding of the problem of illiteracy in America.

In October of 1985, the Subcommittee held a hearing on S. 1525, the Dropout Prevention and Reentry Act. Further examination of this bill and additional dropout bills will continue in the 100th Congress.

In February of 1986, an oversight hearing on the Humanities was held in Montpelier, Vermont. The testimony presented a more focused picture of the diversity of people and activities associated with humanities programming.

In June of 1986, the Subcommittee held a hearing to discuss S. 2256, the Bilingual Education Act Amendments of 1986, chaired by Senator Quayle. Many researchers contend that there are a variety of effective instructional approaches and program designs for teaching limited-English-proficient and non-English-speaking students. This hearing considered alternative recommendations for what share of these programs should be federally funded. No action was taken on this bill during the 99th Congress.

EMPLOYMENT AND PRODUCTIVITY SUBCOMMITTEE

The Subcommittee on Employment and Productivity, chaired by Senator Dan Quayle, held hearings during the first session of the 99th Congress on three key employment issues:

-- The first hearing, on March 25, 1985, examined the supply of physicians and medical personnel and its relationship to graduate education and training programs for these professions.

-- The Job Training Partnership Act of 1982 was the subject of oversight hearings on July 1 and 2, and August 7, 1985.

-- The critical question of how international trade affects employment in America was discussed during Subcommittee hearings on October 22 and 31, and November 12, 1985.

During the second session of the 99th Congress, the Subcommittee concentrated its activities on improving the effectiveness of the Job Training Partnership Act of 1982 (JTPA).

Hearings were held on February 19 and 25, 1986 on S. 1990, the Education and Employment Partnership Act, which was sponsored by Senator Quayle. S. 1990 was designed to improve the Federal administration of the Job Training Partnership Act, the Carl

D. Perkins Vocational Education Act, and the Employment Service. Testimony was given by Secretary of Labor, William E. Brock III, and Secretary of Education, William J. Bennett. Subsequent to a number of site visits and hearings conducted during 1984 and 1985, the Subcommittee held an oversight hearings on the JTPA on March 11, 1986, inviting testimony from the Department of Labor, state and local governments, private industry council participants, and representatives of client groups and service providers. The resulting legislation, S. 2069, sponsored by Senator Quayle, proposed several changes in the JTPA designed to enhance the program's effectiveness, particularly in dealing with the problem of youth illiteracy and funding stability for planning. The bill was reported by the Subcommittee on March 27, 1986 and on May 20, 1986 by the full Committee. Senate passage followed on June 13, 1986. Subcommittee meetings with House counterparts led to a version of the bill which was unanimously passed by both the House and Senate and signed into law by President Reagan (Public Law 99-496).

On April 5, the Subcommittee held a hearing in Des Moines, Iowa to examine the effectiveness of the Job Training Partnership Act in Iowa and other midwestern states in meeting the challenges posed by the recent crisis in the agricultural economy.

The Subcommittee also held a hearing, continuing in its series on the impact of trade on employment, on September 25, 1986 to examine the effect of trade polices in automotive parts and accessories between the U.S. and Japan on domestic employment.

Finally, the Subcommittee, in preparation of a series of hearings on the subject of work and welfare, which could not be scheduled due to the lateness of the session, prepared a Joint Committee Print with the Subcommittee on Social Security and Income Maintenance of the Finance Committee. This print provides background and history on the federal programs that affect work and welfare.

SUBCOMMITTEE ON THE HANDICAPPED

The Subcommittee on the Handicapped is chaired by Lowell P. Weicker, J
The Subcommittee on the Handicapped held two hearings on February 4 and 21 on the reauthorization of the Education of the Handicapped Act. Witnesses testified to the successes of the programs authorized under the Act, and to the need for expansion of early intervention services for handicapped infants and toddlers. Subsequently, S. 2294, the Education of the Handicapped Amendments of 1986 was introduced by Chairman Weicker and 15 cosponsors. After subsequent amendment by the House, the bill became Public Law 99-457 on October 8, 1986.

In addition to reauthorizing the discretionary programs under the Education of the Handicapped Act, P.L. 99-457 establishes a new Federal grant program to assist states to develop and implement a comprehensive, coordinated, interdisciplinary program of early intervention services for handicapped infants, toddlers and their families.

With the establishment of this new early intervention program, states will be given a four-year phase in period to develop a statewide system of early intervention services for all handicapped infants, toddlers and their families. The system must include procedural safeguards to ensure access to such services.

The law would require the Governor of each participating state to designate a lead agency to administer the program. An Early Intervention Council composed of parents and professional would be established to advise and assist the lead agency with regard to early intervention. Furthermore, P.L. 99-457 amends the preschool incentive grant program under P.L. 94-142 to greatly enhance financial incentives to states to ensure universal access to special education and related services beginning at age 3.

Additionally, the Subcommittee held two hearings on March 20 and 25 on the reauthorization of the Rehabilitation Act. Witnesses addressed a broad range of issues, including the need to expand services to severely disabled individuals through supported employment and rehabilition engineering. This led to the Subcommittee Chairman's introduction, with 11 cosponsors, of S. 2515, the Rehabilitation Act Amendments of 1986. After conference with the House on the reauthorization bill in September, the bill became Public Law 99-506 on October 21, 1986.

The Rehabilitation Act Amendments of 1986 extend the vocational rehabilitation programs through fiscal year 1991, increasing the focus on employment and independent living for severely handicapped persons.

A major initiative in the law creates a new $25 million state grant program for the development of supported employment services that allow disabled persons to hold jobs in integrated competitive workplaces rather that sheltered workshops. The new program will enable states to plan, develop and expand supported employment programs thru authorized demonstration projects, technical assistance and training of personnel in this area.

P.L. 99-506 emphasizes the importance of rehabilitation engineering as a facilitator of employment and independent living and creates a state-wide independent living council to provide long-term planning. This law mandates that Centers for Independent Living and Projects With Industry which meet national standards receive continued funding for five years. Particular attention is paid to expanding services to persons with mental illness.

In addition, the President signed into law on May 23, 1986, the Protection and Advocacy for Mentally Ill Persons Act (P.L. 99-319), which was introduced by the Subcommittee Chairman and 26 cosponsors on April 23, 1985.

P.L. 99-319 was developed in response to the 9 month joint investigation by the Handicapped Subcommittee and Labor-HHS-Education Appropriations Subcommittee staff, and 3 days of hearings in 1985 which documented the abuse and neglect of mentally disabled persons in institutions.

This law establishes a Protection and Advocacy program in every state to advocate for the rights of mentally ill persons, and investigate incidents of alleged abuse and neglect in residential facilities. Additionally, the law includes the Bill of Rights for Mentally Ill Persons formerly contained in the Mental Health Systems Act of 1980.

Under this law, the new P&A program is being operated by existing protection and advocacy agencies for the developmentally disabled in each state. An annual report to Congress detailing P&A activities, accomplishments and expenditures will be required.

Further, the President signed the Handicapped Children's Protection Act on August 5, 1986. P.L. 99-372, which was introduced as S. 415 by Senator Weicker and 21 cosponsors, overturns the Smith v. Robinson Supreme Court decision to authorize courts to award attorney's fees to parents who prevail in P.L. 94-142 cases at either the administrative level or in court.

The law clarifies that parents can bring suit under P.L. 94-142 and other relevant statutes, i.e. Section 504 of the Rehabilitation Act, at the same time, and allows courts to award fees retroactively since the Smith v. Robinson decision.

P.L. 99-372 requires the exhaustion of administrative remedies where appropriate, and provides for a Governmental Accounting Office to study the impact of the law and collect information on the cost of administrative hearings and court actions involving disputes with parents of handicapped children.

Finally, the President also signed S. 1874, the Education of the Deaf Act of 1986, on August 4, 1986. This bill, cosponsored by Senator Weicker and 13 others, renamed Gallaudet College as Gallaudet University, placed the University and the National Technical Institute for the Deaf on a five-year reauthorization cycle, and authorizes endowment funds for both institutions. P.L. 99-371 also creates a Commission on Education of the Deaf to study and evaluate the current state-of-the-art in deaf education, and make policy recommendations to Congress.

Subcommittee on Children, Family, Drugs and Alcoholism

The Subcommittee on Children, Family, Drugs and Alcoholism chaired by Senator Paula Hawkins, held twenty hearings, enacted legislation to reauthorize nine existing and three new federal programs during the 99th Congress.

P.L. 99-401/S.140, the Children's Justice Act was introduced by Senator Paula Hawkins on January 3, 1985. The legislation is designed to address the trauma and lack of justice that child victims of abuse often encounter after their abuse is discovered and reported to authorities. The legislation provides a federal financial incentive to the States to encourage them to review and make reform in their state laws, procedures and policies regarding child abuse victims. Following public hearings in May 2, 1985, the legislation received favorable consideration by the Subcommittee and Full Committee and was passed by the Senate on August 1, 1985 and the House on August 7, 1986.

P.L.99-425/S.2444, Human Services Reauthorization of 1986 was sponsored by Senator Hawkins on May 13, 1985. S. 2444, is an omnibus bill which included the reauthorizations for six expiring federal programs, Head Start. Follow Through, the Community Services Block Grant, Community Food and Nutrition, Dependent Care State Grants and the Low Income Home Energy Assistance Program. P.L. 99-425 also authorizes federal funding for two new programs, a scholarship for low-income individuals seeking a Child Development Associate childcare training certificate and a matching program to encourage federal/state efforts in developing innovative approaches to addressing poverty.

P.L. 99-551,/S.2324, Domestic Service Volunteer Act was introduced by Senator Hawkins on April 17, 1986 following oversight hearing in the Subcommittee. The legislation establishes a Literacy Corps within VISTA to combat illiteracy and permits volunteers who do not meet the income criteria for the Senior Companion and Foster Grandparent programs to serve without stipend under certain conditions.

P.L. 99-570/S. 2443 and S. 2595 were slightly different version of the Alcohol, Drug Abuse and Mental Health Amendments of 1986 which reauthorized the National Institute of Alcohol Abuse and Alcoholism and the National Institute of Drug Abuse. Both S. 2443 and S. 2595 were favorably reported by the Labor and Human Resources Committee. A slightly modified version of S. 2595 was incorporated into Title IV of H.R. 5484, the Drug Enforcement Education, and Control Act of 1986.

SUBCOMMITTEE ON AGING

The Subcommittee on Aging, chaired by Senator Charles E. Grassley, has authorizing jurisdiction over the Older Americans Act and the National Institute on Aging.

During the 99th Congress, the Subcommittee held eight hearings in Washington, and two field hearings, one of which was chaired by Senator Hawkins in St. Petersberg, Florida. In addition, the Chairman held two field hearings, one under the auspices of the Subcommittee on Education and the other under the auspices of the Subcommittee on Employment and Productivity. The Subcommittee also initiated and co-sponsored, with the Office of Technology Assessment, the Subcommittee on Human Services of the House Select Committee on Aging, and the Alzheimer's Disease and Related Disorders Association, two workshops on Alzheimer's Disease.

The Subcommittee's activities focused on Alzheimer's Disease, age discrimination in employment, statistical policy for an aging society, and oversight/reauthorization of the Older Americans Act.

The Subcommittee continued the work on Alzheimer's Disease it began in the 98th Congress. The Subcommittee sponsored two day-long workshops on Alzheimer's Disease featuring the participation of nationally recognized authorities. The first workshop, held on February 24, 1986, discussed the need for services-relevant research with respect to Alzheimer's Disease, and the second, held on May 19, 1986, considered options for financing the care of Alzheimer's Disease victims. The Subcommittee published a committee print entitled "Financing Care for Patients With Alzheimer's Disease and Related Disorders", which was based on the background paper prepared for the workshop on financing and the discussion at that workshop.

Subsequently, the Subcommittee held a hearing to take testimony on the various bills referred to it dealing with Alzheimer's Disease. Thereafter, the Chairman introduced S. 2846 and S. 2861. The latter was developed with Senator Metzenbaum, also a member of the Subcommittee. This bill provided for improved coordination of Alzheimer's Research in the Department of Health and Human Services; authority for awards to outstanding senior bio-medical investigators working on Alzheimer's Disease; authority for services-relevant research to be done by the National Institute on Aging, the National Institute of Mental Health, and the National Center for Health

Services Research. This bill was included in an omnibus health bill, S. 1744, which was passed by the Congress on October 17, 1986, and was sent to the President for signature.

The Subcommittee also continued its work on age discrimination in employment. In the 98th Congress, the Chairman introduced a bill, which became public law with the Older Americans Act Amendments of 1984, to prohibit American firms from discriminating in employment on the basis of age against Americans working abroad for the foreign operations of those firms. In the 99th Congress, the Chairman took up the problem of pension accrual - the ability, under then current law, of an employer to cease accruing pension benefits when a worker becomes 65. The Chairman introduced S. 1427, the Older Americans Pension Benefit Act, on July 11, 1985 to address this problem. The Subcommittee subsequently held a hearing, on October 17, 1985, on this bill. The bill was included in H.R. 5300, the Reconciliation Act of 1986, which became Public Law 99-509 on October 21, 1986.

The Subcommittee also undertook a project on statistical policy for an aging society in cooperation with the Subcommittee on Energy, Nuclear Proliferation and Government Processes, chaired by Senator Thad Cochran. The two Subcommittees held a joint hearing on "Statistical Policy for an Aging Society" on

June 3, 1986. The hearing print will include a unique inventory of federal statistical resources pertaining to older people prepared by the National Academy of Sciences and entitled "An Inventory of Statistical Resources on Aging". As a consequence of this hearing, Senators Grassley and Cochran were moved to persuade the Labor/HHS Appropriations Subcommittee to provide funds to the Interagency Forum on Age-Related Statistics to establish two statistical centers on aging under the administrative control of the U. S. Bureau of the Census. The Interagency Forum had been previously established as a joint initiative of NIA and the Census Bureau; the interest of the two Subcommittee Chairman and cooperation of the Labor/HHS Appropriations Subcommittee established this activity on a secure footing.

The two Subcommittees, with the cooperation of the Bureau of the Census, will hold a workshop on November 14, 1986, designed to identify needed age-related products from the 1990 Census. A large number of groups and organizations interested in this topic have been invited to attend.

The Subcommittee was involved in a number of activities with respect to oversight/reauthorization of the Older Americans Act. In the face of a shortfall in funds available for the Surplus Commodities Program of the Older Americans Act, and in an effort to forestall a reduction in the number of congregate and home-delivered meals served by the Older Americans Act network, the Chairman introduced S. 1858, a bill increasing the funds authorized for this program. This bill, as H. R. 2453, became Public Law 99-269 on April 1, 1986.

The Chairman, with a number of other Subcommittee members and other Senators successfully urged the Chairman of the Budget Committee during the debate on the budget for fiscal year 1987 to provide sufficient funds for the Older Americans Act to enable the Appropriations Committee to restore those funds to at least the original fiscal year 1986 levels. Subsequently, the Chairman, with the support of the same members, urged the Labor/HHS Appropriations Committee to restore Older Americans Act funding for fiscal year 1987 to at least the original fiscal year 1986 levels.

The Chairman, responding to numerous inquiries and indications of concern on the part of constituents and others interested in the regulations promulgated for Title III after passage of the 1984 amendments to the Older Americans Act, wrote a lengthy commentary on those regulations to the Commissioner on Aging, and, in an effort to reduce uncertainty in the field with respect to some features of the regulations by clarifying

Congressional intent, published that commentary in the Congressional Record.

The Subcommittee held two hearings designed to clarify the implications for the Older Americans Act network of developments in other programs. The Chairman held a field hearing on August 5, 1985, on "The Implictions of the Medicare Prospective Payment System for the Older Americans Act." The Subcommittee also held a hearing, on February 5, 1986, on the Job Training partnership Act and the relation between its older workers program and the Title V Senior Community Services Employment Program authorized by the Older Americans Act.

Finally, the Subcommittee, in an effort to begin preparations for the reauthorization of the Older Americans Act during the first session of the 100th Congress, held a hearing on "Issues In the Reauthorization of the Older Americans Act" on August 12, 1986.

COMMITTEE ON RULES AND ADMINISTRATION

During the 1st and 2nd Sessions of the 99th Congress, the Committee on Rules and Administration, under Chairman Charles McC. Mathias, Jr., considered and sent to the Senate a number of bills and implemented various measures and policies that affected the daily management of the Senatorial, committee, and support offices. The following summaries highlight the Committee's actions during 1985 and 1986.

Federal Election Campaign Oversight, 1st Session

Campaign Finance Reform Legislation

Ten legislative proposals to modify the Federal Election Campaign Act were introduced in the First Session of the 99th Congress, and seven of these bills were referred to the Senate Committee on Rules and Administration.

S. 59 by Senator Goldwater proposed to place expenditure limits on all candidates, political parties, and political action committees (PACs); it also proposed a repeal of the presidential public funding program. S. 297 by Senator Boren and a later revised version, S. 1806, placed aggregate limits on PAC funds contributed to candidates for Congress. S. 1072 by Senator Gorton would allow candidates to declare that independent spending had become a part of their campaign and thus bring such spending under contribution limits. Legislation introduced by Senator Mathias, S. 1787, proposed to finance general elections to the Senate consistent with the current public funding of the presidential general election. Senator Helms' bill, S. 1806, proposed a ban on use of union dues for any political purpose. The chief feature of S. 1891 by Senator Heinz was its projected strengthening of the role of political parties in the financing of campaigns which would be achieved by an increase in the contributions and expenditures political parties may make on behalf of federal candidates.

Five of these bills, S. 59, S. 297, S. 1806, S. 1072 and S. 1891, were practically identical to legislation on which the Committee received testimony during hearings held in the 98th Congress and which were printed under the title of Campaign Finance Reform Proposals of 1983, S. Hrg. 98-588.

The Committee renewed hearings on campaign finance reform proposals on November 5, 1985, to receive testimony on Senator Mathias' Senatorial public financing legislation, S. 1787. Witnesses included Senators Hart, Mitchell, Boren, Kerry and former Congressman Henry S. Reuss. Two panels of academics and campaign professionals presented their views on current methods of financing congressional campaigns and on public financing proposals.

Annual FEC Authorization

On May 2, 1985, the Committee received testimony from Federal Election Commissioners and staff on the agency's fiscal year 1986 budget authorization request of $12,756,000, as amended. On May 8, 1985 the Committee reported out an original bill, S. 1117, authorizing appropriations in the amount of $12,605,000. The Committee report, accompanying the bill which was not acted upon by the full Senate, is S. Rept. 99-43.

Federal Election Campaign Oversight, Second Session

Campaign Finance Reform Legislation

In January, 1986 the Committee commenced additional hearings on campaign finance reform proposals, based in part on the heightened interest expressed by the full Senate in December, 1985, when Senator Boren attached his PAC limitation bill as an amendment to pending floor legislation. During that discussion, Senator Mathias recommended as Chairman that the Committee examine more fully the Boren bill and other campaign finance proposals before the Senate acted with finality on the PAC limitation proposal, which the Senate had declined to table. The Majority Leader agreed that the Boren proposal would be brought before the full Senate for disposition later in the Second Session. At that time Senator Dole also suggested that Senate Republicans and Senate Democrats appoint separate task forces on campaign reform recommendations on which they might ultimately work together towards achieving a bipartisan proposal. The respective task forces were appointed, but did not reach a consensus on a legislative proposal.

In addition to the bills pending from the First Session, three additional campaign finance measures were introduced in the Second Session and two of these were referred to the Committee on Rules and Administration; they were S. 2016, by Senator Dixon, a public financing bill for Senate general elections similar to a measure he introduced in the 98th Congress, and S. 2415, by Senator Hart, a bill prohibiting any Member of Congress from being closely associated with any qualifying 501(c)(3) charitable organization which did not disclose its contributors and expenditures. This latter proposal, on which the Committee did not receive testimony, also called for a study by a joint panel on the potential development of unregulated campaign expenditures by charitable educational organizations.

Four Senators--Messrs. Boren, Heinz, Mitchell, and Stennis, and Congressman Synar appeared and offered testimony at the Committee's first hearing in the Second Session held on January 22, 1986. On March 27, 1986, the Committee received Senator Goldwater's testimony and then turned to outside witnesses, including Congressional and Senatorial challengers and campaign finance reform proponents and activists. These hearings have been published as Committee documents, S. Hrg. 99-709.

On June 25, 1986, the Committee scheduled a markup on S. 1787 but a quorum of Members not appearing, the legislation was not marked up and no legislative reform proposal was reported. The full Senate, however, did take preliminary action to modify the Federal Election Campaign Act. On August 11, 1986, by a vote of 69 to 30 it approved the Boren PAC limitation legislation as as amendment to S. 655.

Subsequently, by a vote of 58 to 42 the Senate also adopted Senator Boschwitz' amendment (No. 2690) to S. 655 which would ban PAC contributions to political party committees and require disclosure of "soft money". This amendment also would nullify provisions of the Boren amendment allowing free response time for candidates who are subject to negative and large amounts of independent spending on television. Neither campaign finance amendment passed the Senate, however, because objections were raised to further consideration of S. 655, the bill underlying the amendments.

Federal Elections Legislation

In addition to campaign finance legislation, two bills proposing to change practices affecting federal elections were introduced and referred to the Committee on Rules and Administration. S. 2080, by Senator Riegle, would require all polling places to close for presidential voting at 9:00 p.m. Eastern Standard Time. S. 2539, by Senator Warner, would provide for a federal write-in ballots for overseas voters in general elections for federal offices.

S. 2080, the uniform poll closing bill, would extend Daylight Time until the Sunday following the November election in presidential election years only in the Pacific Time Zone. The House passed and sent to the Senate a similar measure, H. R. 3525, which also was referred to the Rules Committee. The Committee did not take action on either the Senate or the House-passed bill.

The Committee held hearings on S. 2539, and subsequently marked up and modified the bill to comport with a similar measure passed by the House, H. R. 4393, which was being held at the desk. The bill was ordered reported, and the Senate acted on the measure by taking H. R. 4393 from the desk and voting its approval.

Federal Election Commission Nominations

The nominations by the President of Thomas J. Josefiak and Scott E. Thomas to serve on the Federal Election Commission were referred to the Committee. Mr. Josefiak, a Republican, was named by the President in a recess appointment to the Commission in August, 1985, his name having earlier been formally submitted to the Senate. The Committee held a hearing on August 5, 1986 on his nomination. The Committee met again on September 29, 1986, in a continuation of the hearing on Mr. Josefiak's nomination and to receive testimony on Scott E. Thomas, a Democrat, whose name was submitted by the President on September 26, 1986. The terms of their predecessors, Frank P. Reiche and Thomas E. Harris, expired April 30, 1985; however, a member of the Commission may continue to serve until a successor takes office.

Committee review of the background and qualifications of the nominees revealed no impediments to their service on the Federal Election Commission. On October 1, 1986 the Committee met and unanimously recommended Senate confirmation of these two nominees. They were confirmed by the Senate on October 3, 1986.

Annual FEC Authorization

On April 23, 1986, the Committee received testimony on the Commission's fiscal year 1987 budget request and on reductions made by the FEC in fiscal year 1986 in order to comply with the requirements of Gramm-Rudman-Hollings. On August 12, 1986, the Committee ordered reported an original bill, S. 2785, authorizing $12,800,000 for the FEC for fiscal year 1987. In approving the amount requested by the Commission, the Committee took note in its report accompanying the bill, S. Rept. 99-415, of the Commission's assurance that such an authorization would permit the restoration of the computerized campaign finance data services curtailed under G-R-H pressures in fiscal year 1986. S. 2785 was not acted on by the full Senate.

Government Printing Office/Public Printer Nomination

On January 3, 1985, Mr. Ralph E. Kennickell, [illegible]., of Virginia, was nominated by President Reagan to be Public Printer, and his nomination was received by the Rules Committee.

Following an extensive background check by the Committee staff, on June 12, 1985, a public hearing was held on the nomination. At a June 20, 1985, business meeting to consider the nomination, the Committee determined that further investigation into Mr. Kennickell's background was warranted. Subsequently, the Department of Justice was asked to investigate certain questions regarding the nominee's background. The Justice

Department had the FBI conduct the investigation, and on November 14, 1985, the Department of Justice submitted the FBI's findings to the Rules Committee.

At a business meeting of the Rules Committee on December 10, 1985, a roll call vote was taken on a motion to favorably report the nomination of Mr. Kennickell to be Public Printer. The nomination was ordered reported by a vote of 8 to 4. The Senate confirmed the nomination by voice vote on December 19, 1985.

Smithsonian Institution Oversight

The Committee on Rules and Administration considered the following measures relative to the Smithsonian Institution:

S. 582, to amend the National Museum Act of 1966, and to authorize additional appropriations for the purposes of said Act.

A hearing was held on S. 581 in July, 1985, and the Committee favorably reported the measure in November, 1985. The Senate passed S. 581 in February, 1986; the bill, however, was not approved by the House.

S. 583, to authorize the Smithsonian to plan and construct additional facilities for the Cooper-Hewitt Museum in the historic Carnegie mansion.

The Committee held a hearing on the measure in July, 1985, and favorably reported the bill in November, 1985, at which time the Senate passed it. On November 19, 1985, the House failed to suspend the rule and pass the bill.

S. 1311, a bill to authorize the construction of a museum for very large aircraft and spacecraft at Dulles Airport.

S. 1311 was amended in Committee with the addition of an authorization for construction of new laboratory facilities, to be known as the Charles McC. Mathias, Jr. Laboratory for Environmental Research, at the Smithsonian Institution's Environmental Research Center on the Chesapeake Bay at Edgewater, Maryland. S. 1311 was further amended on the floor with an authorization for a memorial for the crew of the spacecraft *Challenger*. In the House, the provisions relative to the Air and Space Museum and the Challenger memorial were deleted and an authorization to name a courthouse in Kentucky for Congressman Gene Snyder, retiring Ranking Minority Member of the House Committee on Public Works and Transportation, was added. On October

18, 1986, the Senate agreed to the bill as passed by the House, and it was cleared for the White House on the same date.

S. 2448, a bill to repeal Public Law 87-186 relating to the National Armed Forces Museum Advisory Board of the Smithsonian Institution.

S. 2448 passed the Senate on October 3, 1986, but did not pass the House.

H. R. 1483 (Senate companion measure, S. 581), a bill to authorize construction and repair of facilities for the Smithsonian Tropical Research Institute in Panama and the Fred Lawrence Whipple Observatory in Arizona.

H. R. 1483 passed the Senate on June 24, 1986, and was signed by the President on September 30, 1986 (Public Law 99-423).

S. J. Res. 81, reappointing Barnabas McHenry of New York to be a member of the Smithsonian Board of Regents.

S. J. Res. 81 passed the Senate on May 17, 1985. On June 25, 1985, the House passed the House companion measure, H. J. Res. 198, which passed the Senate on July 11, 1985, and which was signed by the President on July 22, 1985 (Public Law 99-70).

S. J. Res. 214, reappointing Carlisle Humelsine of Virginia to be a member of the Smithsonian Board of Regents.

S. J. Res. 214 passed the Senate on December 12, 1985, passed the House with an amendment on April 17, 1986, passed the Senate again (with the House amendment) on April 22, 1986, and was signed by the President on May 1, 1986 (Public Law 99-285).

S. J. Res. 215, reappointing William G. Bowen of New Jersey to be a member of the Smithsonian Board of Regents.

S. J. Res. 215 passed the Senate on December 12, 1985, passed the House on April 17, 1986, with an amendment, passed the Senate again (with the House amendment) on April 22, 1986, and was signed by the President on May 1, 1986 (Public Law 99-286)

S. J. Res. 268, reappointing Dr. Murray Gell-Mann of California to be a member of the Smithsonian Board of Regents.

S. J. Res. 268 passed the Senate on October 3, 1986, passed the House with an amendment on October 14, 1986, passed the Senate again (with the House amendment) on October 18, 1986, and was cleared for the White House on the same date.

S. J. Res. 269, reappointing David C. Acheson of the District of Columbia to be a member of the Smithsonian Board of Regents.

S. J. Res. 269 passed the Senate on August 16, 1986. On September 16, 1986, the House companion measure, H. J. Res. 517 passed the House with an amendment. H. J. Res. 517 passed the Senate on October 8, 1986, and was signed by the President on October 21, 1986 (Public Law 99-510).

Smithsonian investments in South Africa also received Committee consideration during the 99th Congress. On July 9, 1986, the Acting Secretary of the Smithsonian Institution reported to the Chairman that "as a result of decisions taken by the Board of Regents . . . the Smithsonian's trust funds are invested solely in instruments of entities established with the United States. Our investments in U. S. companies having operations in South Africa are limited to those that are signatories of the Sullivan Principles."

Library of Congress Oversight

The Committee considered the following measures concerning the Library:

S. 2673, to authorize appropriations for the American Folklife Center in the Library of Congress for fiscal years 1987, 1988, and 1989.

A hearing and a mark-up were held on S. 2673. However, the House companion measure, H. R. 4545, was reported to the Senate in lieu of S. 2673, and became Public Law 99-473 on October 16, 1986, when signed by the President.

S. J. Res. 397, endorsing the work of the Center for the Book and designating 1987 as the Year of the Reader.

The joint resolution received neither floor nor Committee consideration; rather, the House companion measure, H. J. Res. 671, was held at the desk and passed in the Senate, becoming Public Law 99-494 when signed by the President on October 16, 1986.

Oversight of the Library of Congress continued in the areas of equal employment opportunity, the card catalog in the Jefferson Building, the mass book deacidification facility, the laser disk project, and the impact of budget cuts on the services of the Library and the Congressional Research Service.

Standing Rules of The Senate

Changes Brought About by Broadcast Coverage

S. Res. 28 (star print), the measure that authorized television and radio broadcasting of Senate floor proceedings, was agreed to by the Senate on February 27, 1986. This measure also contained several important changes to the Standing Rules of the Senate. These include the following: removal of the provision for the consideration of treaties in committee of the whole; reduction of the amount of time for post-cloture debate to 30 hours; reduction to two days, excluding Sundays and legal holidays, that printed reports on a measure or matter must be available to Members prior to the consideration of such measure or matter; a change to Rule IV providing that the Senate Journal of the preceding day shall be read "unless by nondebatable motion the reading shall be waived;" and an amendment to Rule XXVIII providing that conference reports shall always be in order "when available on each Senator's desk."

Amendment to Rule XXXV/ Notification of Travel in Congressional Record

The Rules Committee reported an original resolution, S. Res. 498, to amend rule XXXV of the Standing Rules of the Senate on October 1, 1986. Paragraph 4 of Standing Rule 25 (Gifts) previously required that the Chairman of the Select Committee on Ethics place a notice in the Congressional Record whenever the Select Committee approved the participation by a Member, officer, or employee of the Senate in foreign travel which was paid for by a foreign educational or charitable entity. Pursuant to the terms of the rule, the notice was to be placed in the Record prior to the commencement of the travel. S. Res. 498 amended the last sentence of paragraph 4(b) of Rule 35 by striking out "Prior to the beginning of any such program", thereby allowing the notice to be placed in the Record after foreign travel has concluded. By letter of March 27, 1986, the Chairmen and Vice Chairmen of the Select Committee on Ethics and the Select Committee on Intelligence recommended that this amendment be adopted by the Rules Committee for reasons of safety for Senate travelers. The Senate agreed to S. Res. 498 on October 3, 1986.

Impeachment Trials in the Senate

S. Res. 438 directed the Rules Committee to study rules and precedents applicable to impeachment trials. This was done, and S. Res. 479, an original resolution amending the Rules of Procedure and Practice in the Senate when sitting on impeachment trials, was reported by the Committee and adopted by the Senate on August 16, 1986. In anticipation of the impeachment rules changes adopted by the Senate with the agreement of S. Res. 479, a related measure, S. Res. 439, authorizing the reprinting of "Procedures and Guidelines for Impeachment Trials in the United States Senate", was amended to provide for a revised edition, was reported by the Committee, and was agreed to by the Senate on August 15, 1986.

Broadcast of Senate Floor Proceedings

The Senate, on February 27, 1986, passed S. Res. 28 which authorized both television and radio broadcast coverage of Senate floor proceedings on a trial basis. The resolution specified that the necessary facilities and equipment should be installed and operational for an in-house test period of television coverage beginning May 1, 1986. Radio coverage was instituted on March 12, and a test period for in-house television coverage began on May 1. Public televising of the Senate began on June 2, and continued until July 15, 1986. At this point, a scheduled two-week hiatus was reduced to three days, and television coverage resumed on July 21, 1986. Radio coverage continued throughout the period during which cameras were turned off. On July 29 the Senate, by 78 yeas to 21 nays, voted to make permanent broadcast coverage of Senate floor proceedings.

S. Res. 28, as reported by the Committee on Rules and Administration and passed by the Senate, provided for a test period implementing live, gavel-to-gavel radio broadcast coverage of all proceedings in the Senate Chamber, and a closed circuit test of television coverage of all proceedings, except, in both cases, when a closed-door session was ordered. The Architect of the Capitol, the Secretary of the Senate, the Sergeant at Arms of the Senate, the Librarian of Congress, the Archivist of the United States, and the Committee on Rules and Administration were given certain specified duties by this resolution. Regulations for this coverage were also provided, and a sum not to exceed $3,500,000 for the Architect of the Capitol to carry out the purposes of the resolution was authorized to be expended from the contingent fund of the Senate.

On July 16, 1986, the Committee favorably reported S. Res. 447, an original resolution amending S. Res. 28, to prohibit the use of tape duplications of broadcast coverage of Senate proceedings for political or commercial purposes. S. Res. 447 was adopted in response to concerns about different standards for the use of radio and television tapes.

As reported by the Committee, S. Res. 28 treated the use of audio and video tapes the same--neither could be used for political or commercial purposes. S. Res. 28 as amended and agreed to by the full Senate treats duplications of the two in different ways. It prohibits only the use of tape duplications of radio coverage for political purposes, but is silent regarding other uses. However, S. Res. 28 is specific in the prohibition of the use of tape duplications of television coverage for any purpose outside the Senate.

S. Res. 447 would merely substitute the tape use provision of S. Res. 28 as reported by the Committee for the provision adopted by the full Senate. However, no further action was taken on S. Res. 447.

Effective July 25, 1986, regulations were issued by the Committee on Rules and Administration under authority of Standing Rule XXXIII regarding the use of display materials in the Senate Chamber. The committee also established under authority of S. Res. 28 procedures for camera operators with explicit instructions on camera conduct.

Line-Item Veto

Senate Bill 43, which provided that each item of any general or special appropriation bill and any bill or joint resolution making supplemental, deficiency, or continuing appropriations that is agreed to by both Houses of Congress in the same form shall be enrolled as a separate bill or joint resolution for presentation to the President, was referred to the Rules Committee on January 3, 1985. This measure was introduced by Senator Mattingly and was co-sponsored by 46 Senators, six of whom, Senators McClure, Helms, Warner, Dole, Stevens, and Garn, are members of the Rules Committee.

The Committee held two days of hearings on this measure (May 14 and May 20, 1985) receiving testimony in favor of the measure from Senator Mattingly and Senator Evans and testimony in opposition to the bill from Senator Hatfield and a panel of experts (Dr. Louis Fisher, Specialist in American National Government in the Congressional Research Service; Dr. Allen Schick, Professor of Public Policy at the University of Maryland and a visiting fellow of the American Enterprise Institute; and Dr. Norman Ornstein, AEI Resident Scholar). Senators Mathias, Ford, and Inouye raised questions and spoke in opposition to S. 43 when questioning the various witnesses.

Statements in favor of the bill were received from Senator Thurmond, Senator Dole, Howard Jarvis (American Tax Reduction Movement), John C. Datt on behalf of the American Farm Bureau Federation, 13 groups and associations led by the U. S. Chamber of Commerce, and Professor Judith Best of the State University of New York at Cortland. Statements for the Record in opposition to S. 43 were received from Common Cause, the AFL/CIO Executive Council, and the National Council of Conservation Districts. Also received for the record was a statement from Johnny H. Killian, CRS Specialist in American Public Law, who concluded that the courts would decide the constitutionality of S. 43, if enacted and implemented by the Congress, on the basis of how much power shifted from Congress to the President.

The Rules Committee held a markup session on June 20, 1985, and voted to report S. 43 unfavorably, without amendment, and with a written report.

The motion to proceed to consideration of S. 43 was debated in the Senate from July 17 to July 24, 1985. After three unsuccessful cloture votes, the motion to proceed was withdrawn on July 24. S. 43 remained on the Senate calendar until the end of the 99th Congress with no further action being taken.

Senate Committee System

Joint Committees on Printing and Library

The statutory provisions relating to Senate membership on the joint committees state that the joint committees shall consist of the chairman and four members of the Committee on Rules and Administration. Accordingly, at its organizational meeting on March 28, 1985, the Rules Committee elected the following Senators as members of the joint committees: Joint Committee on Printing--Mr. Mathias of Maryland, Mr. Hatfield of Oregon, Mr. Stevens of Alaska, Mr. Ford of Kentucky, and Mr. DeConcini of Arizona; Joint Committee of Congress on the Library--Mr. Mathias of Maryland, Mr. Hatfield of Oregon, Mr. Warner of Virginia, Mr. Inouye of Hawaii, and Mr. Pell of Rhode Island.

Select Committee on Two-Year Budget, S. Res. 159

The Rules Committee reported on May 9, 1985, an original resolution, S. Res. 159, to establish a select committee to study and make recommendations with respect to a two-year budget process. The principal purpose of creating a Select Committee on the Two-Year Budget was to eliminate some jurisdictional and procedural obstacles which materially delay consideration of improvements in the budget process. In two prior Congresses legislation to establish a two-year budget and appropriation cycle and to make other improvements in the budget process had to be jointly referred to three Senate standing committees--Budget, Governmental Affairs, and Rules and Administration, each of which share jurisdiction over such legislative proposals.

The Select Committee would have been given the temporary legislative authority to consider and recommend such legislation to the Senate, and measures on this subject introduced during the existence of the Select Committee would have been referred to it. The Select Committee's jurisdiction would have been very broad and comprehensive in order to fully cover all aspects of the budget process.

A growing number of Members of the Senate had expressed increased interest in giving serious consideration to the proposed two-year budget and appropriation cycle. The Select Committee approach appeared to offer the best opportunity to get such legislation before the Senate in the shortest amount of time.

S. Res. 159 was agreed to by the Senate on May 17, 1985. That action was vitiated on May 20, 1985. No further action was taken during the 99th Congress.

Special Committee on Families, Youth, and Children, S. Res. 330

On July 23, 1986, the Rules Committee held a hearing on S. Res. 330, to establish a Special Committee on Families, Youth, and Children, which was co-sponsored by Senators Denton and Moynihan. At the hearing, the Committee heard from population experts, academicians, and representatives of advocacy groups and grass-roots organizations, who all voiced the need for a committee in the Senate, similar to the House counterpart, that would study the impact of government policies on the American family and encourage the development of public and private programs and policies to assist families, children, and adolescents. The Committee considered S. Res. 330 at a business meeting on October 1, 1986. While Committee Members were generally favorable to the need for such a new committee, they were unable to reach agreement on the structure, costs, or duration of such a new committee.

Printing Resolutions

The Rules Committee reported favorably the following printing resolutions for Senate committees and the House of Representatives in 1985 and 1986:

S. Res. 30, to authorize the printing of the report entitled "Developments in Aging: 1984" for the Special Committee on Aging; S. Res. 244, authorizing the printing of background information on the Committee on Foreign Relations for that committee; S. Res. 181, authorizing the printing of the report entitled "Highway Bridge Replacement and Rehabilitation Program, Sixth Annual Report to Congress" for the Committee on Environment and Public Works; S. Res. 231, authorizing the printing of a revised edition of the "Standing Rules of the Senate" for the Committee on Rules and Administration; S. Con. Res. 37, to provide for the acceptance and installation of a memorial sculpture of Jeannette Rankin and for the printing of the proceedings of the memorial event; S. Con. Res. 80, to authorize the printing 2,000 additional copies of the print entitled "Defense Organization: The Need for Change" for the Committee on Armed Services; S. Con. Res. 84, to provide for the acceptance and installation of a memorial sculpture of Dr. Martin Luther King, Jr., and for the printing of the proceeding of the memorial event; S. Con. Res. 85, to authorize the compilation and printing of the Bicentennial Edition of the Biographical Directory of the United States Congress for the Committee on Rules and Administration; S. Res. 305, authorizing the printing for the use of the Special Committee on Aging of its annual report to the Senate entitled "Developments in Aging: 1985"; S. Res. 356, authorizing the printing of a revised edition of the "Senate Election Law Guidebook 1984" for the Rules Committee; S. Res. 439, to authorize the printing of a revised edition of a Senate document from the Second Session of the Ninety-Third Congress entitled "Procedures and Guidelines for Impeachment Trials in the United States Senate"; S. Res. 482, authorizing the printing of the report entitled, "Highway Bridge Replacement and Rehabilitation Program, Seventh Annual Report to Congress" as a Senate document, for the Committee on Environment and Public Works; H. Con. Res. 288, authorizing printing of additional copies of the committee print entitled "U. N. Conference to Review and Appraise the U. N. Decade for Women: Report of Congressional Staff Advisors to the Nairobi Conference" for the Committee on Foreign Relations of the House of Representatives; and H. Con. Res. 301, authorizing printing of additional copies of a message from the President, transmitting certain rescissions, deferrals, and revised deferrals of budget authority, for the use of the House Document Room.

The Capitol

The Ninth Edition of The Capitol, a pictorial history of the Capitol and of the Congress, is now in production. Delivery to Members is scheduled for early 1987.

U. S. Capitol Historical Society Calendars

In 1985 the Rules Committee conducted a survey of all Members of the Senate regarding their preference on the "We The People" Historical Society calendars. With 89 Senators responding to the questionnaire, the results indicated that the overwhelming majority of Senators desired delivery of the 1,000 calendars that have traditionally been provided them. A number of Senators expressed their opinion that the calendars are an excellent constituent relations tool. S. Res. 232 provided authorization for the purchase of 1986 calendars for Members and Officers of the Senate.

In August, 1986, the Senate agreed to S. Res. 466, which authorized the purchase of 1987 "We The People" calendars. The 1987 calendar is dedicated to the observance of the 200th anniversary of the Constitution. In related action, H. Con. Res. 375, designating the 1987 calendar as the official Congressional calendar for the Bicentennial of the United States Constitution, received final favorable action by the Senate on September 24, 1986.

Administration of the Senate

Mail Management

The Committee on Rules and Administration considered the following measures relative to Senate official mail:

> an original measure, S. Res. 374, which apportioned one-half of the official mail funds remaining in fiscal year 1986 as of May 22, 1986, to the Senate, and allocated the Senate amount among Senators according to the populations of the States they represent.
>
> > S. Res. 374 was agreed to on May 14, 1986. As of October 24, 1986, it appears that S. Res. 374 saved $7 million from the amount appropriated and avoided a supplemental appropriation of $24 million. The cost savings and cost avoidance figures are subject to refinement in mid-November when the official cost statement will be received from the Postal Service.
>
> an original measure, S. Res. 500, which apportions one-half of the official mail funds for fiscal year 1987 to the Senate, and allocates the Senate amount among Senators according to State population and among other offices according to office budget.
>
> S. Con. Res. 91, a resolution to provide for publishing the mass-mail costs of Senators and Representatives in the Congressional Record.

S. Con. Res. 91 passed the Senate on December 13, 1985, but did not pass the House.

In its deliberations on mass-mail cost control the Committee held hearings on and considered S. 2059 and S. 2255, but took no action thereon. S. 2059 set forth a formula for allocating official mail funds among Senators and Representatives according to populations of their States and districts. S. 2255 would have abolished newsletters or unsolicited mass-mailings other than town-meeting notices. The Committee also discussed the desirability of splitting the official mail account into two accounts, one for the Senate and one for the House; the Ranking Minority Member of the Committee, Senator Ford, offered an amendment to the Legislative Branch Appropriations Bill for Fiscal Year 1987 to make such a division. The amendment was opposed by the House, however, and was dropped in conference.

In other actions relating to mail management, the Committee took the following actions:

- provided for the publication in the semi-annual report of the Secretary of the Senate of Senators' quarterly mass-mail costs, volumes, and per capita costs;
- increased the paper allowance for Senators from one blank sheet per adult constituent per year to one and one-third sheets;
- authorized the use of the simplified form of address ("postal patron mail") for town meeting notices and newsletters;
- prescribed procedures for the implementation in the Senate of S. 1195, a bill to provide for printing of pictures and biographies of missing children on official mail; and
- approved four-digit suffixes to the Senate zip code.

Sergeant at Arms Oversight Hearings

Pursuant to various statutes and rules and resolutions of the Senate, the Rules Committee has, in conjunction with its policy making role, considerable authority over the operations of the Sergeant at Arms. Rule 25 of the Standing Rules of the Senate confers upon the Rules Committee jurisdiction over the provision of services to the Senate, the administration of the Senate Office Buildings and the Senate wing of the Capitol, and payment of money out of the contingent fund. In addition, 2 USC 68 mandates Rules Committee sanction of all payments from the contingent fund of the Senate.

On July 30 and September 29, 1986, the Rules Committee conducted oversight hearings on the operations and functions of the Office of the Sergeant at Arms. These hearings were held to enhance cooperation and communication between the Rules Committee and the Sergeant at Arms, and they served as a forum for exchanging ideas and suggestions. Questions which were submitted to the Sergeant at Arms prior to the hearings provided a basis for the discussion. The hearings proved to be very beneficial.

Office Automation in the Senate

As of October 18, 1986, Office Automation equipment has been installed in the Washington offices of 99 Senators. The staff of these offices believe this program has been a great help in providing them with tools for increasing their productivity. There are now requests for an expansion of this program in Washington and to extend these services to state offices.

Systems have been installed in committees and offices of the Senate and are operational with the following exceptions: one committee system is on order; one committee has selected a system but it has not been approved yet; two committees have not selected systems; and a Request for Proposal for specialized equipment has been issued for one committee.

Regulations on Transfer of Office Automation Equipment from Retiring Senators to Successor and Relocation of Office Automation Equipment

At its October 1, 1986 business meeting, the Committee formalized a policy established at the end of the 98th Congress regarding the relocation of Office Automation (OA) equipment as Senators changed suites. The Committee also promulgated a new policy providing for the transfer of OA equipment used by a retiring Senator to the succeeding Senator.

Ninety-nine Senators now use OA equipment acquired under a lease arrangement. The size of major components and the number of peripheral devices allotted to each Senator are based on home state population. Thus, there are many variations in capacity. The regulations call for the OA system of a retiring Senator to be turned over to the succeeding Senator on the first day of the new Congress. Transfer may be made earlier if the retiring Senator agrees.

The cost of installing cables to connect the OA processor to the peripheral devices is substantial. Rearrangement of processors and peripheral devices requires the removal of cables and, in some cases, the drilling of new outlets; measuring cable, replacing cables in cable-ways, and reconnecting are costly tasks also involved if processors and peripheral devices are moved within a Senatorial suite. To avoid this expense, Senators moving into new suites will move their OA processor and peripherals and connect them to cables previously installed.

Procurement of New Telephone System for the Senate

On April 22, 1986, the Committee approved a new telephone system for the Senate and selected the Chesapeake and Potomac Telephone Company (C&P) to install central office equipment on Senate premises.

Inspection and evaluation of installed cable plant followed. Meetings between Senate staff and C&P staff were held to prepare a contract based on the offer. A contract between the Senate and C&P was signed on September 29, 1986.

Space was allocated in the Dirksen Building garage as the site for the central office switch, and the Architect of the Capitol began construction of partitions and a new floor. Site construction was completed October 10, 1986, and installation of the switch began.

An interim arrangement was made whereby Senate telephone service will be temporarily transferred in December to an off-site C&P electronic switch. This will allow post-election suite moves to be made without disruption of phone services.

The final cut-over to the Senate on-site electronic phone system is planned for August, 1987.

Secure Telephones

In September 1984, the President issued NSDD-145 which directed the development of a national policy on telecommunications and automated information systems security. As a result of that directive, the National Security Agency (NSA) initiated a program to develop and field a new secure telephone system for widespread use throughout the United States.

The Rules Committee has agreed to test 38 of the phones in committees during 1987.

Telecommunications

The Rules Committee considered the following measures relative to telecommunications:

S. 1141, a bill to provide for the payment by the Sergeant at Arms of Senators' State office telecommunications expenses, except charges for services which vary with the amount of time the service is used.

S. 1141 passed the Senate on June 6, 1985, passed the House on June 25, 1985, and was signed by the President on July 12, 1985 (Public Law 99-65).

S. 2759, a bill to remove the restriction in Public Law 99-65 prohibiting the Sergeant at Arms from paying for State office telecommunications expenses which vary with the amount of time the service is used.

S. 2759 passed the Senate on August 16, 1986, passed the House on September 18, 1986, and was signed by the President on October 2, 1986 (Public Law 99-439). The Committee adopted a corresponding regulation allowing the Sergeant at Arms to pay for such expenses up to the cost of a Federal Telecommunications System (FTS) line whenever it would be uneconomical or unsatisfactory from the standpoint of service availability or sound quality to provide FTS service.

In other actions relating to telecommunications the Committee did the following:

- authorized one additional WATS line for each Senator's office; and
- authorized the Sergeant at Arms to acquire and operate a centralized "store and forward" facsimile transmission facility.

Information Services

The Rules Committee authorized the pilot testing of several commercial information retrieval systems and services during 1986. Results of these tests were uniformly positive, and the Committee voted to continue the Lexis/Nexis pilot and to re-examine the issue of Senate-wide use of these systems and services at the first committee business meeting of the 100th Congress.

In a related matter, the Committee endorsed the position taken by the Chairman, in his role as Chairman of the Joint Committee on Printing (JCP), that computer print tapes of Congressional publications be made available to the public by the Government Printing Office (GPO). Committee staff also worked with JCP and GPO staff on the Ad Hoc Committee on Depository Library Access to Federal Automated Data Bases, the Superintendent of Documents Depository Study Group, and the Depository Library Council to the Public Printer.

Support for Budget and Program Analysis

With respect to providing support to committees for budget and program analysis, the Committee took the following actions:

- authorized additional 3270-Personal Computers and Lotus 1-2-3 software for the Committee on Appropriations, the Committee on the Budget, the Committee on Finance, the Committee on Small Business, and the Joint Economic Committee;
- authorized a Personal Computer for use in the Service Department to prepare large charts using graphics programs developed by committee staff on their in-office 3270-Personal Computers;
- authorized graphics and mapping software for committee office automation systems;
- authorized survey analyses for Senator Bentsen on immigration law reform and on malpractice insurance, for Senator Dodd on multiple issues, for the Republican Conference on trade, and for the Committee on Small Business on 8(a) businesses;
- reauthorized the use of the econometric analysis services of Data Resources, Inc., and of Chase Econometrics by the Committee on the Budget and the Joint Economic Committee; and
- provided oversight for the production by the Senate Computer Center of on-line data bases and hard-copy analyses of Federal budget and program data provided by the Office of Management and Budget, the Congressional Budget Office, the Bureau of the Census (the Consolidated Federal Funds Report and the Federal Assistance Awards Data System), and the Federal Procurement Data Center (Federal Procurement Data).

In a related activity providing cooperation with the House of Representatives, the Committee authorized the Sergeant at Arms to microfilm, on a regular basis, the records of the Finance Office of the Clerk of the House.

Senate Expenditures

Senate Committee Budgets

S. Res. 353, the Omnibus Committee Funding Resolution of 1986, and
S. Res. 85, the Omnibus Committee Funding Resolution of 1985

The Rules Committee reported annual authorization for the expenditures of the Standing, Select, and Special Committees of the Senate for the period of March 1, 1986, through February 28, 1987, of $43,597,366. This authorization reflects the sequestration of 7/12 of the 4.3% ($1,280,992) mandated by the Balanced Budget and Emergency Deficit Control Act of 1985 effective March 1, 1986.

S. Res. 353, agreed to March 13, 1986, also amended S. Res. 85, as amended, (the Omnibus Committee Funding Resolution of 1985, 99th Congress, 1st Session, for the period March 1, 1985, through February 28, 1986, at an amount of $44,878,358), in order to sequester 5/12 of the 4.3% ($914,006) mandated by the Balanced Budget and Emergency Deficit Control Act of 1985 effective March 1, 1986. S. Res. 85, as amended, was therefore adjusted to an annual authorization of $43,964,352.

S. Res. 353 was further amended by floor action, which transferred $335,000 from the unobligated balance of the Omnibus Committee Funding Resolution of 1985, creating a special reserve available for use from March 1, 1986 through September 30, 1986; $100,000 was made available for the use of the Committee on Armed Services, while $235,000 was made available for the use of the Committee on Finance.

Medvid Investigation, Helsinki Commission

On March 13, 1986, the agreed to date of S. Res. 353, an amendment to the resolution was also adopted by the Senate which became section 23 of S. Res. 353. Section 23(a) provides that it is the sense of the Senate that the Commission on Security and Cooperation in Europe should conduct an investigation concerning the Miroslav Medvid affair; that an amount not to exceed $200,000 be available to be paid from the contingent fund of the Senate, out of the Account for Miscellaneous Items, for expenses of the Commission for this investigation, subject to the terms and conditions specified by the resolution.

Contingent Fund

The Rules Committee auditors processed 81,000 vouchers for contingent fund expenditures during the 99th Congress, representing a 12.5% increase over the 98th Congress.

Gratuities

The Rules Committee auditors processed 29 gratuities for $438,967.00 which were reported out favorably by the committee and agreed to by the Senate in the 99th Congress.

Citicorp Diners Club Government Credit Cards for Official Travel

In August 1983, the General Services Administration awarded a competitively bid contract to Citicorp Diners Club to issue Government charge cards to eligible Government employees for official travel expenses. After study and consideration, the Rules Committee notified the Senate on May 5, 1986 that the Committee had authorized Senate participation in the Government charge card program for those staff who are or will be frequent travelers on official Senate business.

Training Expenses for Senators' Personal Staffs

On March 28, 1985, the Committee on Rules and Administration considered and adopted the following policy regarding the use of official funds for training of Senator's personal staff:

> the discretionary portion of each Senator's official office expense account shall be available to defray the fees (exclusive of travel-related expenses) associated with the attendance by the Senator or the Senator's employees at conferences, seminars, briefings or classes which are or will be directly related to the performance of official duties. However, reimbursement shall not be allowed for tuition or fees associated with classes attended to earn credits towards an advanced degree of certification.

Official Office Expense Account/Staff Drug Testing

Senator Hawkins asked the Rules Committee to approve a reimbursement from her Official Office Expense Account (OOEA) to defray the costs of testing her staff for illicit drug use. For the purposes of OOEA reimbursements, S. Res. 294 (April 29, 1980) defines official expenses as those "ordinary and necessary business expenses incurred by a Senator and his staff in the discharge of their official duties." On May 21, 1986, as the final arbiter as to what constitutes an official expense, the Committee denied the reimbursement after a careful review of the institutional and legal issues involved.

Senators' Offices

Senate Flag

In 1984 the Committee favorably reported and the Senate approved S. Res. 369, which authorized and directed the Secretary of the Senate to design and make available to Senators an official Senate flag. Pursuant to the Committee report accompanying the measure, the Secretary completed the solicitation and received several designs for final selection by the Committee.

At its business meeting on October 1, 1986, the Committee approved a motion by Senator Inouye authorizing the Chairman and Ranking Minority Member to select the design of the flag, in consultation with interested Members of the Committee, and to establish regulations for the use and purchase of the flag. This process is nearing completion.

Program to Enhance Appearance of Senators' Suites with Home State Art and Artifacts

At its business meeting on December 10, 1985, the Committee approved a pilot program to enhance the appearance of the reception areas of Senators' Washington offices with home state art and artifacts. The goal of this voluntary program, which is funded entirely with private money, is to emphasize the rich and varied history of the entire nation by featuring objects in a Senator's office which highlight the unique characteristics and personality of the home state.

The Capitol and the Senate Office Buildings

Art in the Capitol

Installation ceremonies were held in 1986 for the Carl T. Hayden memorial bust, the Vice Presidential bust of Gerald R. Ford, and the Dr. Martin Luther King, Jr., memorial sculpture.

Security for Capitol Grounds and Buildings

On May 8, 1986, the Committee held a hearing on security for Capitol grounds and buildings, focusing on the Senate and House Whips' Capitol-Complex Security Enhancement Proposal. Testifying were Senators Simpson and Cranston, the Architect of the Capitol, the Senate Sergeant at Arms, the Chief of the Capitol Police, and a representative from the U. S. Secret Service. The Whips' proposal has been funded at $13 million, the expenditure of which is subject to the review and approval of the Senate Rules and

Senate Appropriations Committees, as well as three House committees. No plan for expenditure of these funds has as yet been submitted to the Rules Committee.

Garage Security

The Rules Committee took interim steps to increase garage and Russell Courtyard security by requiring occupants of authorized vehicular traffic to display current employee identification cards to the U. S. Capitol Police prior to gaining admittance into these areas. The Committee also instructed the Sergeant at Arms to increase garage police patrol by routinely conducting explosives searches of parked vehicles utilizing canine explosives detection teams.

Space

Under the direction of the Rules Committee, with the assistance of the Office of the Architect of the Capitol, the following administrative actions concerning the Senate Office Buildings and the Capitol occurred in 1985 and 1986:

- the Radio/Television Gallery was relocated to larger quarters in the Capitol, with the total square footage of the gallery increasing from 945 to 4,450;
- the installation of the Calder mobile was completed;
- Senate Employees' Child Care Center was moved from the Immigration Building to a new modular building across from its old location;
- renovation of the Immigration Building has commenced, with occupancy expected in early 1988; the renovated facility will serve as the new Capitol Police headquarters;
- approximately 2,795 square feet was set aside in the Dirksen Garage for the new telephone switching system, while 955 square feet in the basement of the Hart Building will house the batteries required for the system;
- new modular office furniture was assigned to 10 Senators in the Hart Building;
- Capitol offices were assigned to 42 Senators; a total of 78 Senators have now been provided with office space in the Capitol;

- studies associated with acquiring the Old Post Office Building at Massachusetts Avenue and North Capitol have been completed.

COMMITTEE ON SMALL BUSINESS

I. SMALL BUSINESS ADMINISTRATION

During the 99th Congress, the principal area of concern to the Senate Small Business Committee was the future of the Small Business Administration (SBA). In the last two fiscal years, the President's budget proposed the elimination of the SBA as an independent agency along with its important credit, management and procurement assistance programs. Senator Weicker, Chairman of the Senate Small Business Committee successfully led a bipartisan fight to preserve the agency. Working closely with the Appropriations Committee, Senator Weicker was able to insure that adequate funding was provided for the SBA.

In January 1985, the President's budget submission to the Congress for Fiscal Year 1986 proposed for the first time to abolish the Small Business Administration and most of its programs. Among the programs targeted for elimination were all guaranteed and direct business loan programs, the disaster loan program, and the management assistance programs which are run in cooperation with the educational community and state and local governments. Under the proposal, other SBA activities such as advocacy, minority business development, small business innovation and research and procurement assistance would have been transferred to the Department of Commerce. All of SBA's district and field offices would have been closed, leaving only a shell of an agency in Washington, D.C.

In response to the Administration's proposal, Senator Weicker along with Senator Dale Bumpers and 19 other Senators introduced legislation, S. 408, which reauthorized SBA as an independent agency for Fiscal Years 1986-1988. The Committee held three legislative hearings on S. 408 and the Administration's proposal. At those hearings, public officials, small business groups, and the banking community unanimously endorsed the Committee's efforts to maintain the SBA as an independent agency. The legislation was reported out of the Committee in March 1985, by a vote of 16-3.

During full Senate consideration of the First Concurrent Budget Resolution, S.Con.Res. 32, a compromise agreement was reached among the Chairman of the Small Business Committee, the Senate Republican Leadership and the Administration which maintained funding for SBA's programs and field structure while achieving $2.5 billion of outlay savings over three fiscal years. This compromise was adopted by the Senate as a part of the Budget Resolution which passed the Senate by a vote of 50-49. Later, this three year SBA funding blueprint was incorporated by amendments to S. 408 which passed the Senate on July 16, 1985 by a vote of 94-3. Finally, the Budget Reconciliation Conference

Agreement reached with the House on H.R. 3128 largely tracked the terms of the compromise reached by the Chairman, Senate Leadership and the Administration. Also, the State, Justice, Commerce Appropriations Act for Fiscal Year 1986 provided funding for SBA programs at levels close to those set forth in the conference agreement.

On April 7, 1986, the President signed the Consolidated Omnibus Reconciliation Act of 1985, Public Law 99-272. Title 18 of this law provides a three year authorization for the Small Business Administration through the end of Fiscal Year 1988. Even though the Administration's budget proposal for Fiscal Year 1987 again proposed the elimination of SBA core programs, closing down field offices and the sale of the agency's loan portfolio, the Committee viewed the enactment of Public Law 99-272 as a resolution of the question of SBA's future through the remainder of the Reagan Presidency.

On April 28, 1986, the Committee held a hearing to examine the Administration's plans for implementing the recently enacted law. The only witness to testify at that hearing was the Acting Administrator Charles Heatherly who had earlier announced his intentions to pursue the Administration's legislative efforts to abolish SBA. Members of the Committee carefully reviewed the Acting Administrator's plans for fully implementing the recently enacted law. Committee Members made it very clear that with the enactment of the Reconciliation bill they considered the debate over the future of the SBA resolved and that the Committee Members would not tolerate dismantling of SBA administratively when the Congress had decided legislatively to reject the Administration's proposal. Since that hearing, the Committee has monitored closely the actions of the Acting Administrator to see that the laws are fully executed. Since that hearing, the Committee has also urged the President to nominate someone committed to strengthening SBA programs for the position of Administrator.

On June 25, 1986, the Committee reported out an original resolution calling for the President to submit to the Senate a nominee for the position of Administrator of the SBA. Even though the full Senate took no action on this measure, during the White House Conference on Small Business held this past August in Washington, D.C., the White House Chief of Staff announced to more than 1800 delegates at the Conference that the President intended to send to the Senate a nominee to be the permanent Administrator. Following the Conference, the Administration indicated that it would no longer pursue efforts to transfer the SBA to the Department of Commerce. Unfortunately, before the adjournment of the 99th Congress and at the writing of this report, the President had not submitted a nominee to the Senate.

As a part of the Continuing Appropriations Resolution for Fiscal Year 1987, Public Law 99-500 signed by the President on October 18, 1986, the Small Business Administration was fully funded consistent with the authorized spending levels set forth by Public Law 99-272. The total appropriation for the SBA for Fiscal Year 1987 was $573 million in budget authority and transfers. The enactment of this law insures that for Fiscal Year 1987, the SBA will continue to provide financial, management and procurement assistance to small businesses in this nation.

II. INNOVATION AND TECHNOLOGY

A. Reauthorization of Small Business Innovation Development Act

During the 99th Congress, the Committee continued oversight hearings which laid the foundation for enactment of legislation to provide the Small Business Administration continuing authority to administer the Small Business Innovation and Research (SBIR) program through September 30, 1993.

Senator Warren Rudman and Chairman Weicker introduced S. 881, the Small Business Innovation and Research Act of 1981 on April 7, 1981. Numerous studies had shown that small businesses are our nation's most efficient and fertile source of innovations, and that small firms produce about 24 times as many innovations per research and development dollar as large firms and four times as many as medium-sized firms. Yet, only 3.5 to 4 percent of the Federal R&D dollar was awarded to small firms. This underutilization of small businesses in Federal R&D programs was especially regrettable when considering the highly successful track record of small firms in generating jobs, tax revenues and other economic and social benefits.

On July 22, 1982, the Small Business Innovation and Development Act was originally signed into law as Public Law 97-219. Under the law, each agency with an extramural research and development (R&D) budget of $100 million or more is required to set aside 1.25 percent of its extramural budget for small business. The Act was scheduled to sunset on September 30, 1988; however, the enactment of H.R. 4260 extends the implementation of the Small Business Innovation and Research (SBIR) program for five years. The new law directs the Comptroller General to issue two reports on the implementation of the program to Congress no later than December 31, 1988 and December 31, 1993. The law also allows the Department of Defense to exclude funds appropriated under category 6.6 (Operational Systems Development) from its base for purposes of calculating the agency's SBIR budget.

The program is divided into three phases. In Phase I small businesses can receive up to $50,000 for a R&D proposal which has scientific and technical merit. In Phase II recipients of Phase I awards can receive up to $500,000 over a two-year period to further develop a proposal which has demonstrated significant scientific and technical merit. The third phase pursues the commercial application of the R&D, and may involve non-SBIR funded production contracts with a Federal agency or private sector financing.

Senator Rudman, Chairman of the Subcommittee on Innovation and Technology, held two oversight hearings in March of 1986. The first hearing was conducted in Merrimack, New Hampshire on

March 3rd and the second in Washington, D.C. on March 23rd. Of particular interest to the Subcommittee was the examination of the Phase II component of the program. Because one of the objectives of the Act is to increase private sector commericalization of innovations derived from Federal R&D, an examination of the first generation of Phase II results would provide Members of the Subcommittee with a preview of the kinds of proposals being funded by the program. During these hearings, representatives from the agencies, the small business community and state governments testified before the Subcommittee regarding their experiences with the SBIR program.

The Phase II results surpassed everyone's expectations. The agencies and small business community voiced their staunch support for the program. State officials from New York and Pennsylvania testified that their states have either established or are in the process of developing a prototype to the Federal model, as a method of fostering economic development at the local level. In addition, the delegates to the White House Conference on Small Business voted as their 16th recommendation that the Congress should reauthorize the SBIR program through the enactment of H.R. 4260.

Given the widespread support for the reauthorization of the SBIR program, the Committee held H.R. 4260 at the desk for Senate consideration following the House of Representatives overwhelming approval of the measure. While Members of the Committee were opposed to the DOD exclusion, they were willing to accept the provision to secure passage of the legislation before the October adjournment.

The full Senate adopted H.R. 4260 by voice vote on September 18, 1986.

The President signed the measure into law, (Public Law 99-443) on October 6, 1986.

B. Small Business Patent Reform Legislation

Another victory for small businesses, independent inventors and non-profit entities was the passage of H.R. 2434, the Patent Trademark Office (PTO) Authorization bill, which included a provision making the small inventor subsidy a permanent part of the statute on patents, section 41 of Title 35, United States Code.

In 1981, the President signed into law a two-tiered patent fee schedule authored by Senator Weicker to allow small businesses, independent inventors and non-profit entities to pay 50 percent, rather than 100 percent, of the cost of patent user fees. Under the law small firms pay $400 in filing and issuance fees and $1200 in maintenance fees. The maintenance fees are paid 3 1/2, 7 1/2 and 11 1/2 years into the life of the patent, representing costs to the patent holder of $200, $400 and $600, respectively. The fee schedule was incorporated into the PTO's three-year authorization bill. Congress enacted the legislation to ensure costs associated with the actual processing of patent applications would not preclude small businesses, independent inventors and non-profit organizations from applying for U.S. patents. This provision expired on September 30, 1985.

The Senate and House Judiciary Committees agreed to make the small inventor subsidy a permanent part of the statute on patents effective Fiscal Year 1987. H.R. 2434, the Patent and Trademark Authorization bill, specifically provided that patent user fees shall be reduced by 50 percent with respect to their application to any small business concern as defined under section 3 of the Small Business Act, and to any independent inventor or non-profit organization as defined in regulations issued by the Commissioner of Patents and Trademarks. The House passed H.R. 2434 by voice vote on October 2, 1986.

The full Senate adopted H.R. 2434 by voice vote October 18, 1986.

The President was presented H.R. 2434 on October 27, 1986.

III. SMALL BUSINESS AND THE GOVERNMENT PROCUREMENT MARKET

A. Introduction

The Federal Government's needs for a vast array of supplies, services, and construction has always represented an important market to many small business firms. The Committee on Small Business has consistently expended substantial effort in both oversight and legislative activities to eliminate obstacles to small business participation in the Federal procurement market and to encourage affirmative steps to see that small firms receive their "fair share" of Federal contracts in conformity with the national policy enunciated in the Small Business Act.

The Federal procurement market is truly vast and diversified. During Fiscal Year 1985, Federal agencies made slightly more than 23 million separate procurement actions, totaling $180 billion. Of this amount, small business won approximately $33 billion or 18.4 percent of the total dollars awarded. Slightly more than 51 percent of these contract dollars were won in open competition against all competitors. The other 48.6 percent were won in competition restricted to other eligible small business concerns, so-called small business set-aside procurements conducted by the various agencies under the authority of Section 15 of the Small Business Act.

Like the Small Business Act, the Committee has also given special attention to procurement opportunities for small business concerns owned and controlled by socially and economically disadvantaged individuals. During Fiscal Year 1985, for example, such firms won approximately $1.1 billion in Defense contract awards in open competition or in small business set-asides competitions. Small business concerns owned and controlled by socially and economically disadvantaged individuals were awarded an additional $1.8 billion under the preferential procurement program authorized by Section 8(a) of the Small Business Act. Under the so-called 8(a) program, the Small Business Administration identifies a contracting opportunity that it believes meets the business development plan of a certified 8(a) program participant and seeks to have that contracting opportunity set-aside. The agency with the procurement opportunity then enters into a contract with the Small Business Administration, which, in turn, then subcontracts with the 8(a) firm. The negotiated terms and conditions of the contract between the SBA and the agency with the procurement opportunity must reflect the mission needs of the procuring agency; the contract price, must be found to reflect "fair market value" for supplies being provided or the services being rendered.

During the 99th Congress, the Committee considered and reported two bills directly relating to small business procurement programs authorized by the Small Business Act. S. 2914 provided for a reauthorization of a variation of the regular 8(a) contracting process, the Pilot 8(a) program, which gives SBA greater authority in selecting contracting opportunities for the 8(a) program, and S. 2147, which reauthorized the participation of sheltered workshops for the handicapped in competitions for contracting opportunities set-aside for small business concerns under the authority of Section 15 of the Small Business Act.

The Committee also strongly supported three other legislative provisions, under the jurisdiction of other Committees, which were especially important to small business government contractors. Through the appropriations process, strong support was given to the full implementation of the SBA Breakout Procurement Center Representative Program, authorized in Public Law 98-577, and the initiation of a Pilot SBA Systems Procurement Center Representative Program, and a proposed change to the regulatory standard used by contracting officers in determining whether a contract opportunity should be set-aside for exclusive small business competition was delayed. Working in cooperation with the Committee on Governmental Affairs, the Committee carried forward S. 2479, the "Prompt Payment Amendments of 1986", which closed loopholes and sought full implementation of the "Prompt Payment Act of 1982", given that timely payments are vital to small business government contractors.

B. S. 2914, A Bill to Extend 8(a) Pilot Program

A bill tc extend the Section 8 Small Business Administration pilot programs through Fiscal Year 1988 was signed into law by the President on October 27, 1986. The bill, S. 2914, formerly H.R. 2787, was introduced in the Senate by Committee Chairman Lowell Weicker and Ranking Member, Dale Bumpers.

Section 8(a) of the Small Business Act authorizes the Administrator of the Small Business Administration to enter into contracts with Federal agencies and to subcontract the work to socially and economically disadvantaged small businesses. Prior to 1978, the 8(a) program was administered by SBA primarily to provide minority business with an opportunity to contract with the Government but lacked any specific mission beyond contract assistance. Public Law 95-507, enacted on October 24, 1978, gave statutory structure to the 8(a) program, created the Office of Associate Administrator for Minority Small Business and Capital Ownership Development, and placed greater emphasis upon the business development of minority firms certified for participation in the program. Business development encompasses management training and technical assistance, as well as contract assistance.

Public Law 95-507 also established two pilot programs to improve SBA's ability to develop minority firms certified for the 8(a) program: the Procurement and the Surety Bond Waiver pilot programs. The two SBA pilots expired on September 30, 1985. On December 16, 1985, the House of Representatives passed H.R. 2787, an Act to extend through Fiscal Year 1988 both pilot programs.

The bill was then referred to the Senate Small Business Committee.

The procurement pilot, the principal program reauthorized by this legislation, gives SBA increased authority to select and reserve a steady stream of quality contracts from an agency designated by the President. These contracts are then matched with the capabilities of 8(a) portfolio firms.

Under the regular 8(a) program, minority small businesses have traditionally received less sophisticated contracts, predominantly in janitorial and service areas. This practice has limited the growth potential for firms that are regular 8(a) program participants. The pilot authority was intended to give SBA the necessary "clout" to address that problem, at least with one designated procuring agency.

A legislative hearing was held on March 27, 1986 with Senator Weicker presiding. Testimony was received from pilot contractors, Representative Parren J. Mitchell, Chairman of the House Small Business Committee, SBA, and Department of Transportation (DOT) representatives. In addition, the Committee received written statements of support for the legislation from the National Association of Minority Contractors, the Latin American Manufacturers Association, National Federation of 8(a) Companies and the Black Presidents' Roundtable Association, representing thousands of minority owned businesses across the nation.

On May 21, 1986, the Committee held a mark-up and unanimously reported out H.R. 2787.

The Surety Bond Waiver pilot is the second program extended by this legislation. Under this authority the SBA can waive surety bonding requirements for section 8(a) start-up firms, if certain other requirements are met. This program is intended to give SBA a tool to help minority firms develop a track record and gain government contracting experience. Since the program was originally authorized in 1978, SBA has never utilized the bond waiver authority. Committee Members felt that SBA should activate and administer this program in order to gather empirical data to determine its effectiveness.

Both pilot programs have been vigorously supported by the minority business community. A summary of the testimony presented by witnesses at the March 27 Committee hearing was that without the pilot program their contract opportunities would not have been made available. The contractors testified that the pilot authority helps penetrate institutional resistance of procuring agencies to award sophisticated, long-term contracts to minority businesses. And further, that the visibility and importance that Congress and the designated agency give the pilot program makes the program work.

On June 25, 1986, H.R. 2787 passed the Senate with an amendment and in September the amended bill cleared the Congress and was sent on to the President. On October 7, 1986 the President vetoed H.R. 2787 primarily because of the amendment added in the Senate. On October 9, 1986, Chairman Weicker and Senator Bumpers introduced a clean version of the pilot legislation, which passed the Senate and later the House. On October 27, 1986 the President signed Public Law 99-567, which extended the pilot program through the end of Fiscal Year 1988.

C. S. 2147, A Bill to Allow Sheltered Workshops to Compete for Small Business Set-Aside Contracts

The Senate passed legislation reauthorizing the eligibility of sheltered workshops operating for the benefit of handicapped and blind individuals to compete for contracts set-aside for small business on a limited basis. S. 2147 was introduced by Senator Weicker on March 6, 1986 and referred to the Small Business Committee. A hearing was held on March 26, 1986, and ten witnesses provided testimony that the bill would facilitate the ability of sheltered workshops to obtain Federal contracts. On May 21, 1986, the Committee reported out an amendment in the nature of a substitute, and the full Senate approved the measure on June 25, 1986. Unfortunately, the House of Representatives failed to consider this measure prior to adjournment. It is the intention of Senator Weicker to renew his efforts to enact this legislation during the 100th Congress.

The Congress originally passed legislation in 1977 authorizing a one-year participation by sheltered workshops in the small business set-aside program. Sheltered workshops provide employment opportunities for the handicapped and blind and consequently makes taxpayers out of hundred of thousands of individuals who otherwise would go unemployed. The set-aside program permits workshops to find temporary work assignments, rather than go through the cumbersome application process for work under the Javits-Wagner-O'Day Act which provides the bulk of employment contracts for sheltered workshops.

Since only for-profit companies are authorized under the terms of the Small Business Act to bid on small business set-aside contracts, exempting legislation is necessary to permit sheltered workshops which hire at least 75 percent of their workforce from the ranks of the handicapped and blind. In 1980 Congress reauthorized the program for three years from October 1, 1980 through September 30, 1983. This three-year reauthorization allowed workshops to compete for up to $100 million a year on small business contracts, although less than $10 million in contracts was actually awarded. This represented a minuscule one-fourth of one percent of total small business contracts.

Attempts to reauthorize the workshop eligibility this year received considerable support from the handicapped community especially the National Association of Rehabilitation Facilities, the National Industries for the Severely Handicapped and the Goodwill Industries.

C. Other Legislation

1. Attaining Full Implementation of the SBA Breakout Procurement Center Representative Program and Initiation of a Pilot SBA Systems Procurement Center Representative Program

The Committee on Small Business, working in close cooperation with the Subcommittee on Commerce, Justice, the Judiciary, and Related Agencies of the Committee on Appropriations, has sought throughout the 99th Congress to foster full implementation of the SBA Breakout Procurement Center Representative (BPCR) Program and to urge SBA initiation of a Pilot Systems Procurement Center Representative (SPCR) Program. The Appropriations Acts for SBA for Fiscal Year 1986 and Fiscal Year 1987, Public Law 99-180 and Public Law 99-500 respectively, both contained provisions relating to these two SBA programs designed to assist small firms to participate in the Federal procurement market as prime contractors or subcontractors.

The SBA BPCR Program was initiated as a Pilot Program in 1979. Four BPCRs were placed at four of the Air Logistics Centers (ALCs) of the Air Force Logistics Command. Their primary function was to identify spare parts being procured on a sole source basis, to identify and overcome the obstacles preventing a competitive procurement and to encourage small business concerns to participate in future competitive procurements for the items so "broken-out." The program has had impressive results. During the first eighteen months, General Accounting Office found that the four pilot BPCRs had been able to save slightly over $7.3 million through the breakout of 294 items. In Fiscal Year 1983, these same four BPCRs broke-out 1,634 parts, resulting in savings estimated at almost $36 million. In Fiscal Year 1984, they were able to break-out 961 parts, resulting in savings estimated at $152 million.

Congressional confidence in the SBA BPCR Program was manifested during the second session of the 98th Congress by the enactment of H.R. 4209, the "Small Business and Federal Procurement Competition Enhancement Act of 1984" which was signed by the President on October 30, 1984, becoming Public Law 98-577. This law provided a statutory basis for the BPCR program, defined the BPCR's functions, and authorized the assignment of BPCRs to major Defense Department procurement centers annually purchasing over $150 million in spare parts.

In Fiscal Year 1985, SBA assigned BPCRs to 14 DOD procuring activities. They were able to break-out for competition some 4,892 items. The estimated savings from these break-out actions totalled $147.8 million. SBA's appropriation for Fiscal Year 1986, contained in Public Law 99-180, funded Breakout Procurement Center Representative teams at 34 DOD procuring activities. For

Fiscal Year 1987, Public Law 99-500, provided funding to place SBA BPCR teams at each DOD procurement center that met the statutory standard set forth in Public Law 98-577.

In the report accompaning the Senate version of H.R. 2965, the Fiscal Year 1986 SBA Appropriations Act, Senate Report 99-150, SBA was directed to initiate a pilot Systems Procurement Center Representative (SPCR) Program modeled after the successful BPCR Program. The new pilot program's objective would be to expand subcontracting for small firms within major systems acquisitions by the Department of Defense. The fundamental functions of the SPCRs would be to search out, identify, and analyze small business firms and match their capabilities with requirements for research and development, testing and evaluation, full-scale engineering, and component development relating to major systems or subsystems. The objective would be to marry the capabilities of small firms to the needs of large firms likely to compete for a major system or subsystem contract so that the small firms will be included in the large firms' subcontractor teams. The Committee recommended the placement of SPCRs in lieu of BPCRs at Defense Department activities whose principal responsibility is the development and acquisition of major systems or major subsystems. The pilot program calls for the placement of SPCRs at six DOD activities, encompassing all three military services. The direction to initiate the Pilot SBA Systems Procurement Center Representative Program was reiterated in SBA's Fiscal Year 1987 Appropriations Act and implementation is expected early in calendar year 1987.

2. Standard For Small Business Set-Asides - - The So-Called "Rule-of Two"

The Chairman of the Committee, who also serves on the Committee on Appropriations, led a successful effort to include a provision in the Senate version of H.R. 5294, the "Treasury, Postal Service and General Government Appropriations Act, 1987", to prevent any changes to the procurement regulation that provides the standard used by an agency contracting officer to determine if a contracting opportunity should be set-aside for exclusive competition among eligible small business concerns. The provision was included in the Conference Report to H.J. Res. 738, the Omnibus Continuing Resolution for Fiscal Year 1987, and was signed into law on October 18, 1986 as Section 621 of Public Law 99-500.

Small business government contractors win approximately 50 percent of their Federal contract awards in competitions restricted exclusively to eligible small firms, so-called "small business set-asides" authorized under Section 15(j) of the Small Business Act. The standard used by contracting officers in making the decision as to whether a particular contracting opportunity should be "set-aside" is found in Section 19.502-2 (Total Set-Asides, Set-Asides for Small Business) of the Federal Acquisition Regulation (FAR). Under the present rule, the so-called

"Rule-of-Two", the contracting officer must set-aside a contracting opportunity if there is a reasonable expectation of receiving offers from at least two eligible small business concerns capable of meeting the government's requirements at reasonable prices.

On May 22, 1986, OMB's Office of Federal Procurement Policy published for public comment in the Federal Register a proposed change to the "Rule-of-Two". Most small business government contractors perceived the proposed change as a radical departure from the current standard, which would result in a very substantial decline in the number of contracting opportunities limited to exclusive small business competition.

OMB took the position that their proposed change to the "Rule-of-Two" is required by a provision of the "Competition in Contracting Act of 1984", Public Law 98-369. This position was espoused in correspondence to individual Senators and Representatives. On June 5, 1986, it was confirmed in testimony by OMB's Deputy Director presented to the Subcommittee of the House Small Business Committee. Given OMB's position that the proposed regulatory changes were mandated by statute, the relevance and efficacy of public comments opposing the rule were dramatically called into question. It appeared that legislation, clarifying Congressional intent regarding small business procurement set-asides might be required.

Section 621 will provide the Senate and House Committees on Small Business adequate time to review the impact of the proposed regulatory change, consider alternatives, and if need be, to consider appropriate remedial legislation. The provision delays any changes to the current procurement regulation until July 15, 1987.

3. S. 2479, the "Prompt Payment Amendments of 1986"

Timely payments to government contractors has always been a very important issue to small firms doing business in the Federal procurement market. Small business government contractors cannot afford the additional costs of having to finance delayed payments from the government. Such financing costs erode hard won profits to the "loss" side of a small company's ledgers.

The Committee on Small Business has been in the forefront of legislative and oversight efforts to assure that small business government contractors are paid in a timely fashion. During the 97th Congress, Members of the Committee supported legislation, S. 1131, introduced by Senator Danforth, which was signed into law as the Prompt Payment Act of 1982. Government contractors, small businesses and large firms, have had four complete fiscal years of experience with agency billpaying practices subject to the Prompt Payment Act's requirements. This experience, closely monitored by the coalition of associations representing small business contractors, lead to two basic conclusions. First, that the Prompt Payment Act has substantially improved the government's billpaying practices; and second, that the agencies have frustrated full implementation of the Act as intended by Congress by exploiting ambiguities and loopholes in the statute.

Given the four years of experience under the Act and the problems being repeatedly faced by small business government contractors, the Prompt Pay Coalition and its member associations began to call for oversight hearings and consideration of amendments to remedy problems identified. The Committee's National Advisory Council adopted a resolution to that effect on October 15, 1985. The issue of implementational problems regarding the Prompt Payment Act was also raised by many small business owners during the state and regional meetings that preceded the White House Conference on Small Business, which was held August 17-21, 1986. A resolution calling for vigorous enforcement of the Act and suggesting a series of amendments finished among the top 40 recommendations from a starting agenda of over 400 issue items.

Given the strong small business call for oversight, the Committee took the lead under the leadership of Senator Paul Trible. On December 2, 1985, Senator Trible chaired a Committee field hearing in Norfolk, Virginia. Representatives of small firms providing supplies, and array of services, and construction to various government agencies provided testimony. Agency testimony was received from Navy personnel on behalf of Defense Department agencies and from GSA representatives on behalf of the civil agencies.

This extensive hearing record, supplemented by additional materials submitted to the Committee by individual contractors and the associations comprising the Prompt Pay Coalition, was carefully considered, along with OMB's reports to the Congress on agency performance under the Prompt Payment Act for Fiscal Years 1982, 1983 and 1984. After widely circulating a discussion draft of proposed amendments, Senator Trible introduced S. 2479 on May 21, 1986, joined by 20 original cosponsors including most of the Members of the Small Business Committee. On June 19, 1986, Senator Trible chaired an all-day hearing by the Committee on the implementation of the Prompt Payment Act. Testimony was received from 13 witnesses. In all, the record of the Committee's two hearings totalled 623 pages.

Jurisdiction for the Prompt Payment Act, and thus S. 2479, resides with the Committee on Governmental Affairs and its Subcommittee on the Oversight of Government Management. Given the very substantial record compiled by the Small Business Committee, the Oversight of Government Management Subcommittee, chaired by Senator William Cohen, was able to proceed directly to mark-up. S. 2479 was reported by the Subcommittee on August 14, 1986. It was reported by the full Committee on Governmental Affairs on October 2, 1986. It was passed by the Senate on October 15, 1986 by voice vote with 44 cosponsors.

The House of Representatives, and its Committee on Government Operations, chose not to act on S. 2479 in the closing days of the 99th Congress. As a result of a hearing held on July 29, 1986 before the Legislation and National Security Subcommittee on the House Government Operations Committee, Chairman Jack Brooks wanted to provide time to the Administration to administratively correct as many of the problems identified in the testimony presented by the witnesses representing small business government contractors and in the August 28, 1986 report of the General Accounting Office, entitled "Prompt Payment Act - Agencies Have Not Fully Achieved Available Benefits."

Further action on oversight of the Prompt Payment Act and needed amendments can be expected early in the 100th Congress by both the Senate and the House. The Committee on Small Business will again be in the forefront of this effort.

IV. WHITE HOUSE CONFERENCE ON SMALL BUSINESS

In 1979-80 small business owners from across the nation were given the opportunity to convene in a White House sponsored Conference on Small Business. The conference involved more than 50,000 entrepreneurs and consisted of 57 state and regional meetings and resulted in 60 specific recommendations on Federal action that could be taken to assist the growth and development of small business. Thirty-nine of those recommendations have become law either partially or in full including making changes in the tax code, reducing regulatory requirements and creating new private and public initiatives to assist small business.

Believing in the value of the nation's small business community to review its role in the economy and to reassess its relationship with the Federal Government through proposals and priorities for legislative action, the small business community urged, and the Committee agreed, that the White House Conference on Small Business should occur again. On March 28, 1984, Senators Weicker and Bumpers, along with 52 other Senators, introduced the White House Conference on Small Business Authorization Act of 1984, S. 2487, legislation to require the President to reconvene the White House Conference on Small Business no later than September 1, 1986, and that it be preceeded by state and regional conferences in 1985 and 1986. President Reagan signed the measure into law on May 8, 1984 (Public Law 98-276).

Following over 50 state and regiional meetings, 1823 elected or appointed small business delegates met in Washington, D.C. for the National Conference from August 17-21, 1986. On August 21, 1986, these small business owners voted 60 major policy recommendations on a wide range of issues including tax, trade, and liability insurance crisis. Senator Robert Dole, the Senate Majority Leader personally attended the conference and formally received the final recommendations from the delegates on behalf of the Senate.

FINAL RECOMMENDATIONS

THE WHITE HOUSE CONFERENCE ON SMALL BUSINESS

August 17-21, 1986

1. Because the liability insurance crisis in the United States has not only become a life and death sentence to many small businesses, but also is changing adversely our way of life, we must pursue a four pronged effort at reform: civil justice reform; uniform standards for product, professional and commercial liability; regulation of the insurance and re-insurance industries; and viable affordable alternatives to liability coverage.

We, therefore, strongly urge the President, the Congress, and the state legislatures, to implement the following action as a vitally important step in alleviating the problems of availability and affordability of liability insurance to small business in America:

A. Civil Justice Reform:

1. Return to a fault based standard of liability.

2. Base causation findings on credible scientific and medical evidence and opinions.

3. Eliminate joint and several liability in cases where defendants have not acted in concert.

4. Limit non-economic damages (such as pain and suffering, mental anguish or punitive damages) to a fair and reasonable maximum dollar amount, not to exceed $250,000 in any case.

5. Restrict punitive damage awards to cases of willful and malicious conduct. The amount awarded shall go to a governmental trust fund, not the plaintiff.

6. Limit attorneys' contingency fees to reasonable amounts on a sliding scale.

7. Reduce awards in cases where a plaintiff can be compensated by certain collateral sources to prevent windfall double recovery.

8. The prevailing party in a legal action should have a statutory right to recover its costs and attorneys' fees from the non-prevailing party.

9. Impose a uniform, reasonable statute of limitations and repose in all tort actions; and hold defendants to the state-of-the-art in existence at the time the product was manufactured or the service was performed.

10. Provide for periodic instead of lump sum payments for future medical care or lost income.

11. Encourage use of alternative dispute resolution mechanisms to resolve cases out of court.

B. Federal Standards for Product, Professional and Commercial Liability:

Establish a uniform standard of fault based product, commercial, and professional liability which incorporates provisions cited in "Civil Justice Reform" above.

C. Availability and Affordability of Liability Insurance and Re-Insurance:

1. Review McCarran-Ferguson Act of 1945 as it applies to state regulation of insurance and the industry's limited exemption from anti-trust laws.

2. Promote the establishment of joint underwriting associations

and assigned risk pools.

3. A minimum of 60 days notice should be required for an insurer to non-renew a policy or to increase its unit premium by more than 25 percent. Mid-term cancellations should be prohibited and premiums should be based on experience ratings.

4. Promote tax deductible self-insurance through risk pooling and other group arrangements, including the expansion of The Risk Retention Act of 1981.

5. Legislate a self-insurance system that would allow small businesses to pay premiums into a fund with pre-tax dollars which could be used for no other purpose than the payment of claims, with the fund being regulated in the same manner as any other insurance company.

6. Require the insurance industry to make complete financial disclosures by lines of insurance, so that Congress, state legislatures, and state insurance commissioners may call on it at any time.

D. Education:

Realizing that the most effective long-term solution to the liability insurance problem is a knowledgeable citizenry, we urge an on-going education program to develop an awareness that:

1. The litigious nature of the American public will profoundly affect our way of life as the cost of public and private facilities becomes unaffordable.

2. There is no such thing as a riskless society, so each of us must assume some responsibility for his/her own safety and the normal hazards of everyday living. [R.A. 180, Liability Insurance; 1419 votes of 1715 ballots cast]

2. There should be no government mandated employee benefits, such as employer-paid health benefits, parental leave, disability leave, etc. Specific actions should include, but not be limited to:

a. Congress should prohibit the states from mandating employee benefits;

b. Congress should reject parental and disability leave legislation, such as H.R. 4300 and S. 2278;

c. Congress should reject proposals to mandate medical coverage.

Business supports creative efforts in the private sector to identify new and voluntary approaches to enable working parents to fulfill their job and family responsibilities. [R.A. 203, Payroll Costs; 1360 votes]

3. Because government at all levels has failed to protect small businesses from damaging levels of unfair competition, federal, state and local laws, regulations and policies should:

a. Prohibit unfair competition in which non-profit tax-exempt organizations use their tax-exempt status and other advantages in selling products and services also offered by small businesses.

b. Prohibit direct, government-created competition in which government organizations perform commercial services.

These goals should be achieved by, but not limited to, the following ways: Non-profits: Tax-exempt entities should not be permitted to use their tax status or postal rates to compete with commercial providers of products and services. Non-profit organizations receiving government grants and contracts, including Federally Funded Research and Development Centers, should be prohibited from using federal dollars to compete with products and services provided by the private sector. Non-profits engaging in commercial activities should be prohibited from doing so while enjoying exemption from government regulations such as anti-trust laws, worker's compensation, and health and safety rules.

Governments: New laws at all levels, particularly at the federal level, should require strict government reliance on the private sector for performance of commercial-type functions. When cost comparisons are necessary to accomplish conversion to private sector performance, laws must include provision for fair and equal cost comparisons. Funds controlled by a government entity must not be used to establish or conduct a commercial activity on U.S. property. Government regulated utilities should be prohibited from using their government favored position to compete in markets already served by small businesses.

A Federal Private Enterprise Review Committee shall be established as a permanent advisory group to the Chief Counsel for Advocacy of the Small Business Administration and the Director of the Office of Management and Budget for the purpose of reviewing federal government and non-profit actions that compete with small business. [R.A. 284, Regulation & Paperwork; 1267 votes]

4. Be it resolved, that the White House Conference on Small Business urges the President and the Congress to give top priority promptly to deficit reduction and a balanced budget. The White House Conference on Small Business urges immediate action on a balanced budget and a comprehensive plan, mandated by law, to reduce the federal deficit and control expenditures through legislation by implementing the following:

a. That the Congress should correct the constitutional defect in the Balanced budget and Emergency Deficit Control Act (Gramm-Rudman-Hollings) and adhere to its deficit reduction target until the budget is in balance.

b. Passage of a balanced budget amendment to the Constitution.

c. The President shall be granted by the Congress a budgetary line-item-veto. Should the President exercise the option of line-item-veto, the veto could be overridden by a simple majority vote of both houses of Congress. A two-thirds vote by both houses of the Congress will still be required to override the veto of an entire appropriation bill. If this cannot be accomplished by legislation, we support a constitutional amendment to create a presidential line-item-veto.

d. The federal government should be required to adopt rank-order budgeting to allow for analysis of the effectiveness of subdivisions within a department.

e. An interagency task force should be established by the President and the Congress to implement all recommendations of value from the Grace Commission Report.
All recommendations that need changes in law shall be presented to a bipartisan Congressional Committee for whatever actions are deemed necessary.

f. Income derived from the sale of government fixed assets must go to the reduction of debt and shall not be used to supplement operating income for budget expense purposes. [R.A. 01, Economic Policy; 1175 votes]

5. The international trade crisis mandates the creation of a Cabinet

level department of international trade (similar to that of our major trading competitors), which will coordinate and focus on existing activities of federal agencies to accomplish the following:

a. Coordinate the dissemination of information regarding business opportunities, export financing, education and training, licensing, trade missions, market-driven data bases, SIC Code updates, and other essential functions of international trade.

b. Represent small manufacturing, agriculture, service and other businesses, in national and international discussions and negotiations. Develop and execute fair, long-term policies regarding international trade.

c. The General Agreement on Trade and Tariffs (GATT) should be extended to include intellectual property rights, services, agriculture, aqua-culture, and agri-business products. [R.A. 142, International Trade; 1173 votes]

6. The federal government should encourage the advancement of entrepreneurial education and education of the free enterprise system, by establishing an early awareness of the free enterprise system beginning with primary education and continuing through all levels of education, which would include the teaching of foreign languages and intercultural practices, to increase our national awareness of global economics and their interaction; and to encourage a greater competitiveness by small business in international markets. This training should be taught by small business people or teachers with hands-on entrepreneurial experience and encouraged by curriculum with input by small business. [R.A. 38, Education & Training; 1161 votes]

7. Congress should repeal the Davis-Bacon Act and the Service Contract Act in their entireties. [R.A. 196, Payroll Costs; 1156 votes]

8. Congress should reform the Social Security System by taking the following steps:

1. Remove all non-retirement programs from the Social Security programs and pay them from the general fund.

2. Bring all workers, government and private, under the Social Security system.

3. Freeze employer FICA contribution wage base and tax rate at the 1986 rate.

4. Cap automatic indexing and C.O.L.A.'s on program benefits.

5. Fund the establishment of a broad-based Presidential commission to develop long-range alternatives to the present Social Security system which places an undue and inequitable escalating financial burden on business employees. This Presidential commission must submit its complete report within 24 months. The Social Security system needs to become actuarially sound on a defined contribution basis and not rely on automatic and regular increases in the tax rates and wage base. The following things need to be done;

a. Reduction of the Social Security taxes for employers and employees with alternative qualified retirement plans.

b. Extend the eligibility age of Social Security retirement and lift payroll earning restrictions for Senior Citizens by increasing what they can earn without forfeiting Social Security benefits.

c. Create parity between self employment tax and employer/employee Social Security contributions.

d. Consider the possibility of a long-term phase-out of the present system to be replaced with an optional, actuarially sound, privatized system of retirement and health benefits. The privatization of the present system is considered to be a very desirable goal by the delegates to the 1986 White House Conference on Small Business. [R.A. 218, Payroll Costs; 1152 votes]

9. Enact S.B. 2760 with the Kasten-Lugar-Kassenbaum amendment to provide uniform fault defenses, and the Pressler amendment eliminating joint and several liability. [R.A. 174, Liability Insurance; 1146 votes]

10. Equal Access to Justice, Regulatory Flexibility and IRS procedural reform.

The IRS shall be subject to all the standards of the Equal Access to Justice Act as originally provided by the U.S. Senate in HR 3838 (as passed on June 24, 1986). The Senate bill provided that the burden of proof for substantial justification shall be borne by the agency.

Further, Congress shall enact legislation which shall include the Internal Revenue Service and all other agencies within the requirement of the Regulatory Flexibility Act of 1980. The action or inaction of all federal agencies shall be subject to judicial review, under the Regulatory Flexibility Act.

Further, Congress shall enact legislation which makes the Internal Revenue Service financially accountable for all costs incurred by taxpayers as a result of Internal Revenue Service errors.

The Equal Access to Justice Act shall be amended to define recoverable costs to include accounting, legal and other professional fees plus administrative costs.

Before going to court, a small business shall have the option to submit any matter pertaining to a dispute with any federal agencies (including the IRS and the (USPS) to binding arbitration. [R.A. 287, Regulation & Paperwork; 1137 votes]

11. The Congress and the Administration, in cooperation with state government and the private sector, should develop and implement new capital formation and retention vehicles for small business and there should be tax incentives for investment in small business such as the Small Business Investment Incentive Act (HR 1941). This would allow an opportunity for small business capital accumulation. [R.A. 55, Finance; 1109 votes]

12. That a federal capital gains tax be enacted which will provide savers and investors in an operating business with:

a. deferral of tax on gain if proceeds are reinvested in a qualified operating business within eighteen months or IRA account, or;

b. a normal capital gains tax rate of 75 percent of the regular income tax rate for the gain if held for two years or;

c. a special capital gains tax rate of 50 percent of the regular income tax rate if held for five years;

d. an entrepreneurial capital gains tax rate available only to a former or present founder, or full-time manager-owner who has held the investment for at least fifteen years with a step-rated favorable capital gains rate.

Any gain resulting from the sale or liquidation of a small business should qualify for tax treatment similar to a "lump-sum" distribution from a qualified retirement plan (i.e., 10 year average--5 year average proposed in H.R. 3838 --or rollover to an IRA) or the tax on the gain may be deferred by reinvesting the proceeds of the gain in a qualified small business. The benefits of SEC 337 of the IRS code (otherwise known as the general utilities doctrine) should be retained.

Reason for proposal: Incurs a tax on the sale of its assets. Under the general utilities doctrine, the corporation avoids the tap on the sale or distribution of its assets to its owner in liquidation. A one time tax is incurred by the owner upon the receipt of the corporations property instead of a double tax at the corporate and individual level. [R.A. 403, Taxation; 1075 votes]

13. Resolved that the SBA should be maintained as an agency independent of any other federal department. The administrator should be elevated to a cabinet-level and the SBA programs should be continued as presently constituted. [R.A. 97, Future of an Agency for Small Business; 1051 votes]

14. The Senate and the President should join the House of Representatives in re-authorizing the Small Business Innovation Research (SBIR) Program by enacting H.R. 4260 before the present Congress adjourns. The next Congress should strengthen the program still further by:

a. Increasing each agency's share of R & D expenditures devoted to it by .25 per cent per year, until it is three percent of the total extramural R & D Funds;

b. Making the program permanent with a formal congressional review every ten years beginning in 1993;

c. Allocating a modest, but appropriate share of each agency's SBIR fund for administrative purposes for effective management, quality maintenance and the elimination of program delays;

d. Determining annually that each agency is clearly in full compliance with the law and that SBIR program funding is not being accompanied by parallel reductions in other small business programs, and

e. Creating pooled solicitations once or twice a year of subjects submitted by small agencies expending $20 million to $100 million in extramural R & D funds to facilitate their involvement in the SBIR program. [R.A. 125, Innovation; 1043 votes]

15. Protection of intellectual property in the form of patents, trademarks, copyrights, technical data and deliverables, is critical to the growth of small business. Federal government and their contractors should be required to honor confidentiality for protecting domestic intellectual property nationally and internationally. To that end,

modifications and additions to existing systems are necessary.

a. Implement a system by which a U.S. small business may elect an accelerated, short-term, patent filing and approval procedure by simple registration.

b. Make the tiered fee schedule within the patent office more equitable by charging fees for information and services as well as for filing and maintenance; and by setting fees which are lower for first filings of national patents than filings by foreign patentees.

c. Establish an accelerated judicial procedure within the district courts which utilizes patent and trademark expertise and thereby expedites litigation concerning patent and trademark infringement.

d. Recommend the President and Congress work toward the establishment of coordinated filing in the Western Hemisphere and Pacific Rim Countries.

e. Develop a set of verifiable and enforceable copyright procedures to strengthen enforcement of U.S. copyrights, in both domestic and international markets, through the joint efforts of the Copyright Office and the private sector, including representation by small business.

f. Laws and regulations regarding proprietary rights in technology and "rights in data" on government contracts shall be changed to allow small business to maintain its proprietary rights.

g. The Freedom of Information Act should be amended to shift the burden to the requestor for obtaining release of proprietary and confidential information.

h. Congress shall collect data and analyze new technologies being developed to assist them in enacting appropriate legislation for the expansion of the intellectual property law system to adequately cover these new technologies.

i. Establish a management oversight group, to include small business people, which ensures efficient and effective implementation of the intent of the patent office mandate to be a national resource. [R.A. 129, Innovation; 1034 votes]

16. The Investment Tax Credit (ITC) should be retained, or restored for new and used equipment for small business, defined as those businesses with fewer than 500 employees; but should be limited to end users of property purchased and should give added incentive to domestically produced products. [R.A. 323, Taxation; 972 votes]

17. The federal government; industry; school administrations and business should work together to solve the drug problem in our society by fighting international drug dealers and organized crime. The war on drugs should be fought in at least four areas:

a. By cutting the growth and production of illegal drugs abroad and in the U.S.

b. By educating Americans to say NO to drugs and to rehabilitate chemically-dependent people.

c. By stopping illegal drugs from entering our borders and U.S. dollars from leaving.

d. By working to have a "drug free" school system and "drug free" workforce in American business and industry. [R.A. 53, Education &

Training; 964 votes]

18. The federal government should increase its awards to small businesses to 35 percent of total contract dollars by FY 1990 and bring the percentage in line with small business' contribution to the Gross National Product by FY 1993. This shall be achieved through actions that:

a. Create a Congressionally appointed blue ribbon commission, to review and recommend changes in public policy, incentives and regulations to reshape procurement practices to achieve full participation by small business and to recommend model programs for small businesses to be tested by the Office of Federal Procurement Policy; further, the majority of the Members of the Commission are to be small business owners and the Commission will establish an advisory panel to monitor and report on the implementation of the Commission report.

b. Distribute set asides by each procurement agency evenly across all categories of goods and services for small businesses with significant percentages to minorities and women.

c. Simplify the procurement process and expedite the award process.

d. Require that all agencies annually publish a 2-year procurement plan that identifies known potential procurements and designates those to be set aside.

e. Mandate accountability and provide incentives for government procurement officials and prime contractors to increase their use of small businesses including women and minorities;

f. Retain the existing "Rule of Two" and enforce it strongly as a standard for small business set asides.

g. The federal government should develop a standard approach for setting size standards by SIC Codes based on sound economic data to ensure that size standards are equitable, rational, and consistent. Further, the government should develop procurement procedures that ease "graduation shock" for companies transitioning out of their small business size standards.

h. Public Law 95-507 and Executive Order 12138 should be strictly enforced and mandatory incentives and penalties should be established for compliance and noncompliance therewith. [R.A. 282, Procurement; 948 votes]

19. That Congress enact H.R. 1575 and/or S 1486 to ensure equal access to commercial credit for all small business and to ensure that women, and minorities are not discriminated against in granting commercial credit by eliminating the business credit exemption to the Equal Credit Opportunity Act. [R.A. 74, Finance; 931 votes]

20. To promote the retirement security of our nation's employees, Congress must support and promote the continued viability of the private retirement system in the small business community. In support of this goal, there must be a five year moratorium on further changes in our private retirement plan laws except for the following changes which we recommend:

a. Promote parity between large and small plans and between private and public sector plans;

b. To simplify filing requirements and paperwork: and

c. To increase contribution benefit limits, including 401(k) plans and IRAs to be at least as great as the pre-1986 Tax Reform Act limits; and

d. In the multi-employer sector, to reform Multi-Employer Pension laws (*Multi-Employer Pension Plan Amendments Act of 1980, MPPAA, subtitle E of Title IV of ERISA, sections 4201 through 4402) to curtail or eliminate withdrawal liability. [R.A. 239, Payroll Costs; 861 votes]

21. Eliminate governmental disincentives directed against home-based business owners. Specifically, Congress should:

a. Pass Senator Hatch's Freedom of Workplace Act;

b. Instruct the U.S. Secretary of Labor, by resolution, to repeal 29 Code of Federal Regulations 530; and

c. Instruct the IRS to remove the home-based business red flag from IRS Form 1040 Schedule C. [R.A. 311, Regulation & Paperwork; 858 votes]

22. Recommend the cash basis method of accounting for tax purposes should be permitted for all small businesses. The current tax code should not be changed regarding:

a. Use of a fiscal year and;

b. Completed contract method of accounting.

[R.A. 404, Taxation; 827 votes]

23. The current surtax exemption for corporations should be expanded to $200,000 per year, with a proportionate rate of tax, as applied under current law, to each expanded level thereunder and a similar lower individual tax rate should be applied to business income derived from sole proprietorships, subchapter S corporations and partnerships not engaged in passive income pursuits. These surtax exemption levels should be indexed to inflation and the direct expensing provision should be increased to $150,000, to help small businesses retain capital for expansion. Congress should expand the direct expensing provision of the tax code. It should be raised to $150,000 for small business. Also, inventories for small business should not include a requirement to capitalize wages, rents or other overhead items. [R.A. 349, Taxation; 788 votes]

24. Congress should eliminate estate and gift transfer taxes on the transfer of small business assets to a family member. A family member is defined in 26 USC 2032A, and the entity qualifies as a small business. [R.A. 325, Taxation; 774 votes]

25. Be it resolved that a commission be established to study the impact of services, information, and emerging technology sectors of the American economy, review existing Standard Industrial Classification (SIC) codes to ensure that they reflect the current state of the

respective industries, and make recommendations with regard to appropriate federal legislation and regulations that will promote further growth in this area and ensure proper classifications for all industries. Be it further resolved that Congress shall enact legislation directing the Executive Branch to create, as a successor to the Standard Industrial Classification (SIC) codes, a new data collection and dissemination system that will: 1) evolve with the continuing growth of the American economy; 2) allow for crosswalking between all major federal data systems, including but not limited to SIC codes, government procurement systems, contract tracking, management information systems and internationally traded goods and services, incorporating where possible all relevant international data systems; 3) identify the amount of commercial economic activity performed in the not-for-profit, franchise and similar sectors; 4) be updated as to data collection methodologies on a regularly scheduled basis; and 5), provide to the entire business community, through a specified governmental source, appropriate and timely access to the individual and aggregate information. [R.A. 19, Economic Policy; 766 votes]

26. Congress should not tax employee benefits above existing levels. [R.A. 199, Payroll Costs; 720 votes]

27. Adopt Small Business Participating Debentures (SBPD) as encompassed by Senate Bill 1498, which would permit the issuance of SBPDs, providing for a fixed rate of interest plus a participation redeemable at a predetermined price on a future date and involving no ownership interest, be enacted into Federal Law. The participating share of earnings would be taxed to the investor as a long-term capital gain, but deductible by the issuing company. Losses would be allowed as an ordinary deduction for the investor. SBPDs would combine the benefits of equity and debt financing which would make private investment in small business more desirable. [R.A. 66, Finance; 696 votes]

28. "A Bigger Slice of the Pie"

Insure that small business receives a larger and more equitable share of federal procurement funds;

Increase the opportunities for all small businesses to participate in federal procurement on a streamlined and equitable basis.

Promote cooperation and mutual support within the small business community as a whole; and

Preserve the opportunities and protection currently provided targeted minority groups.

Require that:

a. Not less than 40% of all government procurement monies be awarded to small businesses by each department and agency of the government. This should include not less than 40% of prime contract funds and not less than 40% of the subcontract funds provided by large business prime contractors via subcontracts including but not limited to the Surface Transportation Act.

b. Not less than 10% of all government procurement monies be awarded to currently targeted minority groups.

c. Not less than 5% of all government procurement monies be awarded to women-owned businesses; and, women-owned businesses.

d. Not less than 25% of all government procurement monies be awarded to other small businesses, including those owned by veterans and physically challenged individuals.

e. Small business procurement be simplified and awards be made not later than 30 days after receipt of proposals.

f. OMB Circular A-76 be made to apply to all federal monies used directly or indirectly in provision of goods and services which are available in the private sector.

g. Congress should maintain and enforce the minority and women owned business set-aside programs under the Surface Transportation Assistance Act of 1982 (P.L. 97-424) Public Law (95-507) and 8A Program.

h. Distribute set-asides by each procurement agency evenly across all categories of goods and services for small businesses.

i. Of the total dollars spent by the federal government with small business collectively then:

-- 25% will be targeted to minorities

-- 12 1/2% will be targeted to women

-- and the balance of the total monies, 62 1/2% will be targeted to all small businesses. [R.A. 275, Procurement; 683 votes]

29. Congress should implement the recommendations of the Grace Commission, with priority attention to:

a. The 15-bill Brace Commission legislative package for 1986, introduced by the House and Senate Grace Commission caucuses in June of 1986, which have a combined cost savings potential of 32.8 billion dollars over three (3) years (S. 2620/H.R. 5125; S. 2619/H.R. 5129; S. 2621/H.R. 5116; S. 2628/H.R. 5117; S. 2624/H.R. 5113; S. 2629/H.R. 5106; S. 2623/H.R. 5099; S. 2625/H.R. 5130; S. 2630/H.R. 5114; S. 2633; S. 2631/H.R. 5128; S. 2622/H.R. 5105; S. 2626/H.R. 5115; S. 2632/H.R. 5100; and S. 2627/H.R. 5157);

b. Privatization of public services through the contracting out of sale of service and commercial operations to the private sector; and

c. Sale of excess (non-wilderness) federal lands.

d. Congress should act on all remaining Grace Commission recommendations by December, 1988. [R.A. 07, Economic Policy; 673 votes]

30. In order for American business to compete in foreign countries with other nations we need to clarify the Foreign Corrupt Practices Act. Congress should pass legislation similar to language in S. 1860, Title IX, Subtitle B:

a. The name of the act will be The Business Practices and Records Act.

b. Willful bribes to any foreign officials will remain prohibited.

c. United States companies will be liable if they corruptly pay a bribe directly or if they directed or authorized the bribe "expressly or by a course of conduct."

d. All exceptions will be codified including those that are explicitly stated as well as those which have been permitted under the present law.

e. Payments made "for the purpose of expediting or securing the performance of a routine governmental action" will not be unlawful.

f. Payments which are expressly permitted by law, custom or regulations of a foreign country will not be unlawful. [R.A. 154, International Trade; 666 votes]

31. Unemployment Insurance: amend the Federal Unemployment Tax Act and the Social Security Act and the Wagner-Peyser Act to achieve the following:

a. Prohibit strikers from collecting benefits.

b. Require claimants to actively seek work and accept the next best job after eight weeks of job search or lose benefits;

c. Eliminate FUTA and related taxes on wages of persons who do not qualify for benefits, (e.g., independent contractors, corporate officers, share-holders, retirees, etc.)

d. Allow surplus funds to be invested in the state which paid the taxes.

e. Cap FUTA tax at present levels.

f. The rate increase of .2% in FUTA taxes should be allowed to expire on January 1, 1988 as scheduled under current law. [R.A. 244, Payroll Costs; 654 votes]

32. Prompt pay legislation should be extended to cover postal service and federally assisted procurement and strengthened through an amendment to the 1982 Prompt Payment Act to eliminate the fifteen day grace period; require automatic payment of interest penalties; more clearly define that the entire payment process, including acceptance, must occur within 30 days; include progress payments and retainage; and require prime contractors to pay their sub-contractors within seven days after receiving payment from the government or incur interest payment penalties. In addition, when the government pays the prime contractors late, interest payments shall flow through from prime contractors to sub-contractors on a pro-rata basis. The prompt payment act shall vigorously enforced by all branches of government. [R.A. 277, Procurement; 652 votes]

33. Congress should institute a broad-based incentive program that would encourage the training and retraining of current and new employees by small business owners, and to further new employment opportunities. [R.A. 36, Education & Training; 628 votes]

34. A program should be developed by business and government in partnership on the state and federal levels for education in the free enterprise system that would include:

a. development of curricula of the role of small business in free enterprise

b. vocational training, with special emphasis on dropouts

c. pilot business training programs at the secondary level

d. professional training, management assistance, and internship programs for existing businesses

e. coordination and combination of existing federal job training programs by the federal government

f. a national conference for the development of this idea and further conferences as necessary for ongoing development and review of the program

Grants and incentives would be made available to small businesses to enable them to participate in the entire program. Courses would be taught using state-of-the-art technology by qualified teachers with demonstrated hands-on business experience using known management efficiency practices. [R.A. 49, Education & Training; 614 votes]

35. "Export S.B.I.R."
Increase exports by small business by:

a. Creation of an annual, competitive small business export incentive program similar to the highly successful SBIR* Program, to be funded within existing International Trade Programs,

b. Retention and improvement of the current Small Business Foreign Sales Corporation tax incentives to further encourage exports of products and services, and

c. Aggressively market small business export trade programs using private sector organizations or businesses.

*The Small Business Innovation Research approach is a competitive annual program which solicits small business proposals to solve problems instead of responding to government solutions. It offers a significant multiplier effect, requires no new government funding, and requires a commitment of private sector funds. [R.A. 156, International Trade; 600 votes]

36. Transitional rules for tax legislation should be implemented and applied equally for all taxpayers. Legislation should not be retroactive if it would adversely affect prior transactions. [R.A. 354, Taxation; 597 votes]

37. Bankruptcy laws are too lenient! Federal bankruptcy laws should be modified with regard to:

a. restructuring the preferred payment rules;

b. placing strict controls on the financial dealings of Chapter 11 "Debtor-in-possession" cases;

c. create a review procedure for trustees to assure that creditors obtain timely financial reports of the bankruptcy operational reports and to avoid self-dealing and patronage;

d. providing equitable reimbursement to creditors from future earnings of debtor;

e. limit lawyers' participation to same as other creditors;

f. establish a bankruptcy ombudsman to make sure that small business creditors are treated fairly;

g. providing a first priority lien to an unpaid seller of a product or a right to recover the product. [R.A. 80, Finance; 584 votes]

38. To reduce payroll complexity and cost by:

a. Standardizing Federal payroll reporting onto one form with one due date and to provide incentives to include consolidation of state and local payroll information;

b. Increasing the threshold for requiring payment of payroll taxes through Federal Depositories (i.e., allow mailing in of larger payments with quarterly filing... currently, the threshold is $500.00) and increasing the thresholds for determining the frequency of all payroll tax deposits (i.e., increase threshold for 3-day deposits which is currently $3,000). [R.A. 247, Payroll Costs; 576 votes]

39. Adopt a basic economic policy to continually improve our economic climate by removing obstacles to our free enterprise system and allow it to function with minimum government restraints. This national economic policy should be instituted to phase out all governmental pricing, production, and export controls currently imposed on U.S. business. Include deregulation of the energy industry by decontrolling natural gas, removing the foreign policy-based controls on the export of natural resources and oil field service equipment, and by reducing bureaucratic barriers to U.S. petroleum exploration and production efforts. And finally, deregulate the steel industry. [R.A. 22, Economic Policy; 560 votes]

40. Recommend that the nation's farm policies be changed to facilitate a phaseout of price supports and governmental production controls, within an established time frame, thereby returning agriculture to a market orientation, while bringing all pressures to bear in the General Agreement on Tariffs and Trade (GATT) deliberations to insure that other importing and exporting nations adhere to policies which promote free and fair trade in agricultural commodities. [R.A. 20, Economic Policy; 557 votes]

41. Congress should pass legislation for a Self Insurance system that would allow small businesses to pay premiums into a fund, with pre-tax dollars, which could not be used for any other purpose except to pay claims, with the fund being regulated in the same manner as any other insurance company. Approve the Risk Retention Act of 1981 as passed by the Senate and now before the House as H.R. 5225, at this date without further amendment. [R.A. 192, Liability Insurance; 543 votes]y

42. Federal or state legislative bodies shall encourage, authorize and approve the creative use of semi-public loan or guarantee corporations to meet the needs of small firms. This capital can be used for start-up, venture capital, business expansion, capital improvement, fixed asset financing, and or intangible collateral financing. These vehicles shall be many, or multi-faceted and self funded revenue neutral items. It should create a loan guarantee vehicle similar to Fannie Mae (FNMA) to meet the needs of small business.

There express purpose is to be the creation of secondary markets to encourage public and private investors. These loans would start at $10,000 and would require each participating lender to take a certain portfolio percentage of the smaller loans. The program will provide access to credit, not underwrite the costs thereof. [R.A. 86, Finance; 533 votes]

43. It is recommended that the "Rule of Two" be retained and strongly enforced as a standard for small business set-asides. This regulation prescribes the circumstances under which a contracting officer makes the determination to restrict a contracting opportunity to exclusive competition among eligible small business concerns. The contracting officer must set-aside a contracting opportunity if there is a reasonable expectation of receiving offers from at least two eligible small business concerns capable of meeting the Government's requirements at reasonable prices. [R.A. 273, Procurement; 531 votes]

44. The Congress must pass legislation creating a uniform national product and general liability law which bases liability on fault (no liability without responsibility) and which totally eliminates joint and several liability (no more deep-pocket liability). [R.A. 170, Liability Insurance; 487 votes]

45. The SBA should be retained and elevated to a Cabinet- level position whose mission should be to assist the small business community with the private sector having a stronger partnership role.

To ensure that SBA's mission remains focused on areas of greatest need:

a. The independent role of the Office of Advocacy must be maintained and strengthened.

b. The Congress should mandate a comprehensive review of all SBA programs to assess their efficiency and their appropriateness to the broad needs of the small business community. That review should be conducted with substantial input from the private sector with the leadership of the small business constituency.

c. In the delivery of lending and management assistance services, SBA should be directed to increase its reliance on the local resources in the private business sector which have expertise in its program areas. [R.A. 106, Future of an Agency for Small Business; 484 votey

46. The presence of a de facto common language in the U.S. has permitted unprecedented growth and stability in our history as a 210-year-old democracy. Now, recent changes in legislative and administrative law have had the effect of promoting bilingualism, which slows the assimilation process for immigrants (to their disadvantage) and threatens to add permanent social and economic costs to our society in general and to business in particular. These costs will fall disproportionately on small business.

English should be declared as the official language of the U.S., legally sufficient for all legislation and communication in this country. The federal government should print its publications, posters, signs and forms in English only. English usage should be encouraged through the phasing out of most bilingual programs and instead using the funds to promote English as a second language. Certain exceptions regarding diplomacy, international needs, demands of justice and safety signs at airports/highways should apply.

At the federal level, this should be done through Congressional action and Presidential order and also through the Department of Education. [R.A. 312, Regulation & Paperwork; 467 votes]

47. Presidential line-item-veto authority should be passed by Congress. [R.A. 06, Economic Policy; 453 votes]

48. Professional and technical services constitute a dynamic and fast emerging sector of the services industry. The current acquisition system was originally designed to procure hardware, and has not been effectively adapted to the challenging task of procuring sophisticated and unique professional and technical services. Moreover, the federal government personnel do not understand or appreciate the waste and problems created by policies of procuring sophisticated services on the basis of lowest cost rather than quality. In those cases where the government does advertise the fact that high technical quality is more important than cost or price, the procurement selection process--by engaging in technical leveling and auctioning--frustrates the offer of high quality. A new, simplified acquisition system is required for contractors to continue to be motivated to offer high-quality services and to insure the long-term benefits of high quality to the federal government. Therefore be it resolved that:

a. The GAO should conduct a study of professional and technical services. GAO should examine agency conduct with respect to cost and quality tradeoffs in professional and technical services contracts, and frequency of prohibited practices such as technical leveling and cost auctioning. GAO should report the results to Congress and the Office of Federal Procurement Policy (OFPP).

b. OFPP should develop and implement on a demonstration basis a simplified alternative acquisition process adapted to the procurement of professional and technical services, which would insure to the government the benefits of competitively procured professional and technical services, and increase access to the procurement system for businesses of all size, including small businesses.

c. Congress and OFPP should require technical training for federal program and contracting personnel concerning the acquisition of professional and technical services, to assure that high quality services are obtained in cases where quality is more important than cost.

d. Congress and OFPP should preclude federal agencies from establishing new federally funded Research and Development centers (now receiving more than $5 billion in sole source contracts per year), unless the agency has conclusively demonstrated that the private sector does not have the necessary capabilities. Further, Congress and OFPP should limit contracting with existing FFRDCs through oversight, preclude them from obtaining contracts outside their original charters, and sunset where appropriate. [R.A. 269, Procurement; 437 votes]

49. SBERC! Authorize the formation of small business reinvestment corporations (SBRCs) to obtain capital from private and public pension plans and invest that capital in small business. Federal enabling legislation will provide that such investments comply with the prudent man rule for pension plan trustees. [R.A. 72, Finance; 435 votes]

50. A White House Conference on Small Business should be scheduled for

1990 while Congress is in session, with subsequent conferences every four years. [R.A. 35, Economic Policy; 431 votes]

51. There should be small business advocates on all appropriate national policy boards, including the Council of Economic Advisors, Office of Management and Budget, Treasury Department and the Federal Trade Commission. Further, each of the twelve reserve banks that make up the Federal Reserve system and the Federal Reserve Board shall permanently set aside at least one appointment for a currently active small business person. This process would be monitored through local, state and national business organizations. [R.A. 28, Economic Policy; 430 votes]

52. Be it resolved that:

a. The 8(a) program should be maintained under the SBA rather than being transferred to the Department of Commerce, because of SBA's demonstrated sensitivity to the needs of small and disadvantages businesses.

b. The 8(a) application procedures should be streamlined by eliminating unnecessary duplication at the district, regional, and national levels, so as to expand the number of socially and economically disadvantaged firms participating in the program.

c. Subcontracting with small businesses should be promoted by creating positive incentives that reward prime contractors for effectively utilizing small and disadvantaged firms, and penalizing noncompliance with Section 8d of P.L. 95-507.

d. The SBA should sponsor and promote programs within the private sector that assist small and disadvantaged businesses in learning competitive skills and in developing private sector markets.

e. The SBA and the Office of Federal Procurement Policy should provide for sensitivity training and technical training for federal program and contracting personnel to assure that they understand the goals and objectives of the small business set-aside and the 8(a) programs, and the enormous value these programs bring to federal procurement and the American economy.

f. In preparation for graduation from the 8(a) program, the SBA should establish a transition process for small and disadvantaged businesses that reward excellence, high performance and growth--rather than severely penalizing the very growth, job creation, and success which federal policy should encourage, but does not. [R.A. 119, Future of an Agency for Small Business; 413 votes]

53. The concept of comparable worth is contrary to the free enterprise system. Compensation should be based upon market supply and demand. [R.A. 235, Payroll Costs; 408 votes]

54. Congress should enact labor law reform to repeal the union shop provision to Section 8(a)3 of the Labor Management Relations Act, as amended, to allow employees the fullest freedom of choice to join or not join or support a union and amend the Hobbs Act to make violence in labor disputes a Federal crime. [R.A. 253, Payroll Costs; 395 votes]

55. The existing guaranteed loan programs should be maintained with the maximum limits being raised to $1 million. The program should be expanded to allow working capital and revolving credit line loans and to encourage smaller loans (e.g., $10,000-20,000). [R.A. 117, Future of an Agency for Small Business; 390 votes]

56. Congress should defeat proposed Anti-double breasting legislation (H.R.281 and S.2181). [R.A. 391, Payroll Costs; 378 votes]

57. "A Penny Earned is a Small Business Saved"
Create a state administered pool of money from public and private business debt offerings, interstate, to help small business through loan guarantees, this guarantee pool is funded by an additional one penny for every ten dollars of debt offering (or one/ten of one percent) registered or filed with the Securities and Exchange Commission. Each state and the District of Columbia will be allocated a portion of the guarantee pool based on population, with no less than $500,000 to any one state, and each state will administer and control its portion of the pool through a commission of private citizens appointed by the governor. Each state can use the guarantee pool to support its business goals and economic agenda. [R.A. 94, Finance; 377 votes]

58. The Industrial Revenue Bond program should be maintained with emphasis on serving those small businesses with employees less than 500 and/or sales less than $20 million with the continued provision for the deductibility of 85% of the interest by banks holding such bonds and 100% tax-exempt status when held by any non-bank holder. [R.A. 70, Finance; 367 votes]

59. Whereas, the antitrust laws of the United States have been the strong underpinning of the American free enterprise system through insuring a free and open marketplace;

Whereas, the antitrust laws of the United States are the first line of defense against anticompetitive activity, are critical to the health of the economy and are vital to the survival of small businesses in America;

Whereas, on February 19, 1986, the Reagan Administration announced five legislative proposals to amend the antitrust laws of the United States which would seriously weaken America's antitrust laws and encourage monopoly, mergers, acquisitions, vertical price fixing and other forms of anti-competitive behavior plus reduce the incentive of injured private citizens and companies to bring civil suit against the perpetrators of antitrust violations for injuries suffered.

Now, therefore, be it resolved by the White House Conference on Small Business as follows:

First, that the Congress is urged to reject the proposed administration's antitrust law legislative package as inimical to the free enterprise system and a direct threat to the ability of small business to compete against monopolies, conglomerates, trusts and combines;

Second, that the Federal Trade Commission and the Antitrust Division of the Department of Justice are urged to vigorously enforce the antitrust laws of the United States in the following areas where enforcement is now lacking:

a. anticompetitive mergers and acquisitions;
b. resale price maintenance;
c. Tying arrangements; and
d. Unreasonable territorial and customer restrictions.

Third, Senator Rudman and the other members of the Senate Committee on Small Business are to be commended for their opposition to the "Vertical Restraints Guidelines" published by the Department of Justice on January 23, 1985-- which do not accurately state current antitrust law--and for urging that the Vertical Restraints Guidelines be withdrawn as per Senate Concurrent Resolution 56. [R.A. 23, Economic Policy; 347 votes]

60. Strengthen and expand the Small Business Development Center program to provide greater outreach. Maintain the S.B.D.C. autonomy and strengthen its ties to the academic community. [R.A. 122, Future of an Agency for Small Business: 319 votes]

********** RESOLUTIONS **********

According to the National Conference Rules and Procedures, resolutions submitted to the delegates must have received affirmative votes from two-thirds of those delegates casting resolution ballots. None of the five resolutions reported from the Conference Resolutions Session met this requirement.

Our special thanks to Ernst & Whinney for assisting in the voting and vote tabulation of the final vote. Arthur Andersen & Co. and Ernst & Whinney assisted in earlier Conference votes.

REPORT OF THE COMMITTEE ON VETERANS' AFFAIRS REGARDING LEGISLATIVE AND OVERSIGHT ACTIVITIES IN THE 99TH CONGRESS

I. INTRODUCTION

A. HEARINGS

During the 99th Congress, the Committee held 37 days of hearings on legislative and oversight matters, executive nominations, and the legislative recommendations of veterans' service organizations. Among those hearings were 2 days of hearings on the VA budget, 4 days of hearings on VA compensation and health-care programs, 3 days of hearings on the VA's medical facility construction program, 2 days of hearings on veterans' employment programs, 2 days of hearings on issues relating to veterans' exposure to ionizing radiation, 1 day of hearings on the VA's home loan guaranty program, 10 days of hearings on reported sightings of live military personnel missing in action in Southeast Asia, 10 days of hearings on the legislative priorities of veterans' service organizations, and 3 days of hearings on executive nominations.

B. LEGISLATION

The Committee met in open session 8 times and reported 9 bills to the Senate, the provisions of 7 which, with modifications, were ultimately enacted into 7 public laws.

Those enacted into public law during the First Session include:

(1) Extension of the authority of the Veterans' Administration to operate a Regional office in the Republic of the Philippines, to contract for hospital care and outpatient services in Puerto Rico and the Virgin Islands, and to contract for treatment and rehabilitation services for alcohol and drug dependence and abuse disabilities, and to amend the Emergency Veterans' Job Training Act of 1983 to extend the period for entering into training under such Act, Public Law 99-108, September 30, 1985.

(2) The Veterans' Administration Health-Care Amendments of 1985, Public Law 99-166, December 3, 1985.

Those enacted into public law during the Second Session include:

(1) The Veterans' Compensation Rate Increase and Job Training Amendments of 1985, Public Law 99-238, January 13, 1986.

(2) Establishment for the purpose of implementing any order issued by the President for fiscal year 1986 under any law providing for sequestration of new loan guarantee commitments, a guaranteed loan limitation amount applicable to chapter 37 of title 38, United State Code, for fiscal year 1986, Public Law 99-255, March 7, 1986.

(3) The Consolidated Omnibus Budget Reconciliation Act of 1985, (Title XIX) Public Law 99-272, April 7, 1986.

(4) Further revision of the guaranteed loan limitation amount applicable for fiscal year 1986, Public Law 99-322, May 23, 1986.

(5) The Veterans' Benefits Improvement and Health-Care Authorization Act of 1986, Public Law 99-576, October 28, 1986.

In addition, the Committee filed two reports pursuant to section 302(b) of the Congressional Budget Act of 1974, allocating the amounts of budget authority and outlays allocated to the Committee under the Concurrent Resolutions on the Budget for fiscal years 1986 and 1987 (S. Rept. 99-201 and 99-387).

Finally, the following public laws also benefit veterans and were sponsored or co-sponsored by the Chairman, but were not acted upon by this Committee. These laws:

Designated May 7, 1985, as Vietnam Veterans Recognition Day, Public Law 99-35, May 14, 1985.

Authorized the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens, Public Law 99-558, October 27, 1986.

Authorized the establishment of a memorial on Federal land in the District of Columbia to honor women who have served in the U.S. Armed Forces, Public Law 99-___, October __, 1986.

Required the Secretary of Interior to erect and maintain a memorial on Federal land in the District of Columbia to honor members of the U.S. Armed Forces who served in the Korean War, Public Law 99-572, October 28, 1986.

Granted a Federal Charter to the Vietnam Veterans of America, Inc., Public Law 99-318, May, 23, 1986.

C. EXECUTIVE NOMINATIONS

On March 4, 1985, the President nominated Donald E. Shasteen to be Assistant Secretary of Labor for Veterans' Employment. This nomination was referred jointly to the Committee on Veterans' Affairs and the Committee on Labor and Human Resources, and a joint confirmation hearing was held on May 16, 1985. On June 17, 1985, the nomination was favorably reported by the Committee on Veterans' Affairs and the Committee on Labor and Human Resources. The Senate confirmed Mr. Shasteen's nomination on June 19, 1985.

On March 10, 1986, the President nominated Thomas K. Turnage to be Administrator of Veterans' Affairs, and on March 18, 1986, the Committee held a confirmation hearing. The Committee unanimously recommended that the Senate confirm Mr. Turnage as Administrator of Veterans' Affairs, and the Senate confirmed his nomination on March 21, 1986.

On August 7, 1986, the President nominated Thomas E. Harvey to be Deputy Administrator of Veterans' Affairs, and the Committee held a confirmation hearing on August 14, 1986. Subsequently, the Committee unanimously recommended that the Senate confirm Mr. Harvey as Deputy Administrator of Veterans' Affairs and on August 16, 1986, the Senate confirmed Mr. Harvey's nomination.

II. VA BUDGET

A. FIRST SESSION

On February 20, 1985, the Committee met to consider the fiscal year 1986 budget request for the Veterans' Administration submitted by President Reagan. On March 7, 1985, six of the Majority Members of the Committee transmitted to the Senate Budget Committee, pursuant to the requirements of section 301(c) of the Congressional Budget Act of 1974, Public Law 93-344, their views and estimates with regard to the fiscal year 1986 budget for the Veterans' Administration. On March 6, 1985, the Minority Members of the Committee transmitted, separately, their recommendations. On April 23, 1985, the Committee met to discuss the First Concurrent Resolution on the Budget for FY 1986 as it pertained to veterans' benefits and services, prior to floor consideration of the Budget Resolution.

B. SECOND SESSION

With regard to the VA budget for fiscal year 1987, the Committee held the following meetings: On February 20, 1986, the Committee met to consider the fiscal year 1987 budget request submitted by President Reagan, and on February 25, 1986, the Committee met to markup the Committee's views and estimates for veterans' benefits and programs. On February 27, 1986, six of the Majority Members of the Committee transmitted to the

Senate Budget Committee, pursuant to the requirements of section 301(d) of Public Law 93-344, as amended by Public Law 99-177, their recommendations for the fiscal year 1987 budget for veterans' benefits and services. On March 4, 1986, the Minority Members of the Committee transmitted, separately, their recommendations.

III. SERVICE-CONNECTED DISABILITY COMPENSATION PROGRAMS

A. OVERVIEW

The VA's disability compensation program provides monthly cash payments to veterans who, because of service-connected disabilities, are considered to have suffered impairments of earning capacity. The amount paid in individual instances is contingent upon the nature of the veteran's disability, or combination of disabilities, and the extent to which earning capacity is deemed to have been impaired. In September 1986, there were 2,225,289 veterans receiving compensation benefits.

Dependency and indemnity compensation (DIC) benefits are payable to the surviving spouse and children of a veteran whose death occurs during active duty or as a result of service-connected causes. This benefit is intended to compensate for the loss of family income. DIC benefits are also payable to the needy surviving parents of veterans whose death is service connected. In September 1986, 380,237 survivors were receiving benefits under this program.

A principal focus of the Committee's concern regarding VA compensation programs is the necessity to ensure that benefits are appropriately adjusted to keep pace with inflation. In the course of the 99th Congress, the Committee conducted hearings on this and other issues involving the need for improvements in these programs.

B. FIRST SESSION

During the First Session of the 99th Congress, the Committee held a hearing on October 3, 1985, to engage in oversight of the service-connected compensation and DIC programs and to consider S. 9, S. 622, S. 769, S. 962, S. 1207, S. 1397, S. 1509. S. 1602, and S. 1788. The Committee received testimony from the Veterans' Administration and various veterans' service organizations.

After reviewing the testimony, the Committee met in open session on October 31, 1985, and voted unanimously to report to the Senate a "Committee Print", including provisions derived in part from provisions of the aforementioned bills.

As reported (S. Rept. 99-200) on November 26, 1985, S. 1887 provided for a COLA in compensation and DIC benefits and made certain other improvements in veterans' programs. On December 2, 1985, the Senate passed S. 1887 as reported and as amended by amendment No. 1169. During the first session, the House and Senate failed to reach a compromise on this legislation. However, on December 19, 1985, the Senate passed H.R. 1538, with an amendment to provide a COLA in compensation and DIC benefits. The House concurred with the Senate amendments and the bill was enacted on January 13, 1986, as the Veterans' Compensation Rate

Increase and Job Training Amendments of 1985 (Public Law 99-238).

With respect to veterans' compensation, Public Law 99-238:

(1) Provided a 3.1-percent COLA effective December 1, 1985, in the rates of compensation paid to service-connected disabled veterans and DIC paid to survivors.

C. SECOND SESSION

During the Second Session of the 99th Congress, the Committee held a hearing on May 20, 1986, to consider S. 1536, S. 2168, S. 2174, S. 2304, S. 2388, and S. 2445. Testimony was received from, among others, representatives of the Veterans' Administration and various veterans' service organizations.

After reviewing the testimony, the Committee met in open session on June 26, 1986, and voted unanimously to report S. 2422 with an amendment in the nature of a substitute derived in part from the provisions of the aforementioned bills.

As reported (S. Rept. 99-444) on September 16, 1986, S. 2422 provided for a COLA in compensation and DIC benefits and certain other improvements in veterans' benefits and health-care programs. On September 30, 1986, the Senate passed H.R. 5299, after striking all after the enacting clause and inserting in lieu thereof provisions of S. 2422 as reported and as amended by unprinted amendment No. 3099. On October 7, 1986, the House concurred in the Senate amendments, with amendments, and on October 8, 1986, the Senate agreed to the House amendments and final passage occurred. H.R. 5299, the Veterans' Benefits Improvement and Heath-Care Authorization Act of 1986, was signed by the President on October 28, 1986, as Public Law 99-576.

With respect to VA compensation programs, Public Law 99-576:

(1) Provided a 1.5-percent COLA effective December 1, 1986, in the rates of compensation paid to service-connected disabled veterans and DIC paid to survivors.

(2) Added residuals of frostbite and post-traumatic osteoarthritis to the list of diseases presumed to be service connected when suffered by certain prisoners of war.

(3) Provided that the combination of certain non-service-connected disabilities and service-connected disabilities occurring in certain paired organs or extremities should be considered, for the purposes of VA compensation, as though both are service-connected.

IV. NON-SERVICE CONNECTED PENSION PROGRAMS

A. OVERVIEW

The VA pension programs provide need-based income-security benefits to wartime veterans who are totally and permanently disabled from non-service connected causes, or have reached the age of 65, and to the needy surviving spouses and children of wartime veterans. In September 1986, there were 1,397,352 VA pension recipients -- 658,106 veterans and 739,246 surviving spouses and children.

Under the current VA pension program, which went into effect on January 1, 1979, cost-of-living adjustments (COLA's) are indexed by law to increases in Social Security benefits, which are based on the Consumer Price Index and occur at the same time. Prior to 1983, those COLA's had become effective on June 1 of each year. However, in 1983, the Administrator proposed, and Congress enacted, a 6-month delay in annual COLA's for this program, making them effective on December 1 of each year, beginning with 1983.

B. FIRST SESSION

S. 1887, reported on November 26, 1985, and passed by the Senate on December 2, 1985 as discussed above, included a provision concerning VA pension programs.

C. SECOND SESSION

On October 28, 1986, the Veterans' Benefits Improvement and Health Authorization Act of 1986 was enacted as Public Law 99-576.

With respect to non-service-connected pension benefits, Public Law 99-576:

(1) Specified that any remuneration provided to veterans for participation in certain VA work therapy programs would be considered distributions from public or private relief organizations and hence have no effect on the eligibility or monthly rates of VA pension recipients.

V. HEALTH CARE

A. OVERVIEW

The VA's Department of Medicine and Surgery administers a national health-care network for the purpose of providing a complete health-care system for the medical and rehabilitative care and treatment of eligible veterans. The VA health-care system is an integrated national system of teaching hospitals, general and specialty clinics, research centers, nursing homes, and other facilities providing a broad range of inpatient, outpatient, and noninstitutional health-care services to the Nation's 27.8 million veterans.

The VA provides health care through 172 hospitals, 226 outpatient clinics, 115 nursing home care units, 16 domiciliary care facilities, and readjustment counseling of Vietnam-era veterans through 189 counseling centers and satellites. In addition, the VA provides certain veterans with non-institutional care services in order to avoid institutionalization in hospitals, nursing homes, or domiciliaries and to promote the continued independence of veterans at home and in the community as long as possible. Among those programs furnished by the VA are: 9 Adult Day Health Care programs, 49 Hospital- Based Home Care programs, 70 Geriatric Evaulation Units, and 10 Geriatric Research, Education and Clinical Centers. Moreover, the VA contracted with 313 halfway houses and other community-based facilities for the treatment of veterans' with alcohol and drug dependence or abuse disabilities.

In fiscal year 1985, VA hospitals provided inpatient care to an estimated 1,305,702 veterans and conducted 17,789,582 million outpatient visits; VA nursing home care and domiciliary care units provided care to more than 33,568 veterans; hospitals and nursing homes under contract to the VA provided care to 70,214 veterans; and care was provided through State veterans' facilities to 25,971 veterans. In addition, hospital care for approximately 16,362 individuals and 305,368 outpatient visits were provided through CHAMPVA-the Civilian Health and Medical Program of the Veterans' Administration. Under CHAMPVA, reimbursements for the cost of health care obtained in private health-care facilities are provided to the spouse and dependent children of a veteran who has a permanent and total service-connected disability and also the survivors of veterans who either died as a result of a service-connected disability or at the time of death had a permanent and total service-connected disability.

B. FIRST SESSION

On March 26 and 27, 1985, the Committee held oversight hearings on issues relating to the VA's medical facility construction program. The Committee received testimony from Senators Sarbanes, Denton, Bentsen, and Gramm, and representatives of the Veterans' Administration, the Hospital Corporation of America, and veterans' service organizations.

The Committee also held a hearing on May 7, 1985, to consider various proposed improvements in VA health-care programs. The Committee considered: S. 6, S. 875, S. 876, S. 1007, and S. 1052. Testimony was received from representatives of the Veterans' Administration, the General Accounting Office, the American Psychiatric Association, the Association of VA Chief Psychologists, the American Psychological Association, and veterans' service organizations.

On June 12, 1985, the Committee met in open session and voted unanimously to report favorably S. 876 with an amendment in the nature of a substitute derived in part from the provisions of the aforementioned bills (S. Rept. 99-101).

On September 20, 1985, the Senate passed S. 1671, to provide for a interim extension of certain VA services and programs. The House passed S. 1671 on September 26 and it was enacted on September 30, 1985, as Public Law 99-108.

With respect to veterans' health care programs, Public Law 99-108:

(1) Provided an extension, until October 31, 1985, of the VA's authority to contract for hospital and outpatient services for veterans in Puerto Rico and the Virgin Islands.

(2) Provided an extension, until October 31, 1985, of the VA's authority to contract for treatment and rehabilitation services for veterans with alcohol and drug dependence or abuse disabilities.

On July 30, 1985, the Senate passed H.R. 505, after striking out all after the enacting clause and inserting in lieu thereof the text of S. 876 as reported and as amended by unprinted amendment 537. On October 3, 1985, the House concurred in the Senate amendment to H.R. 505 with amendments. On November 13, 1985, the Senate agreed to the House amendment to the Senate amendment with an amendment. The House agreed to the Senate amendment and final passage occurred on November 14, 1985. H.R. 505, the Veterans' Administration Health-Care Amendments of 1985, was signed by the President on December 3, 1985, as Public Law 99-166.

As enacted the provisions of Public Law 99-166:

(1) Extended for 3 years, through fiscal year 1988, the VA's authority to contract for care and treatment and rehabilitative services in halfway houses and other community-based facilities for veterans with alcohol or drug dependence or abuse disabilities; required a report not later than February 1, 1988, on the experience under the program; and deleted references to this program as a "pilot" program.

(2) Provided permanent authority for the VA to contract for health-care services for U.S. veterans who reside in the

Virgin Islands; provided a 3-year phase out of the VA's contract care authority to furnish such services to veterans in Puerto Rico.

(3) Extended for 2 1/2 years, through fiscal year 1989, the period during which certain veterans - those exposed to dioxin or other toxic substances in Vietnam or to ionizing radiation from nuclear detonations - would be eligible to receive priority VA health-care services for disabilities not determined to be unrelated to such exposure.

(4) Authorized followup medical services on an outpatient basis, for a period of time not to exceed 12 months following discharge, to a veteran who has received nursing home or domiciliary care.

(5) Required the VA to conduct a 3-year pilot program under which the VA would increase the number of services provided to Vietnam-era veterans at 10 existing Vet Centers, to be known as Vietnam Veterans' Resource Centers.

(6) Made a technical amendment to clarify that the VA is responsible for planning for the continuing availability for readjustment counseling services after September 30, 1988, of veterans requesting such assistance without reference to when they initially requested it.

(7) Authorized the VA to furnish counseling, upon request, to any veteran who is a former prisoner of war to assist the

veteran in overcoming the psychological effects of the prisoner-of-war experience.

(8) Authorized the direct transfer to a non-VA nursing home of (a) a veteran who has received VA nursing home or domiciliary care, or (b) a veteran who has received VA hospital care and who is currently receiving VA hospital-based-home care.

(9) Required the VA to conduct a 3-year pilot program, with at least one demonstration project in each of 5 geographic regions, for providing for the reimbursement (or direct payment) of reasonable charges for chiropractic services, not otherwise covered by available health insurance or other reimbursement, provided by non-VA providers to certain veterans with neuromuscloskeletal conditions of the spine; limited the total VA expenditures for chiropractic services to $2 million in any fiscal year.

(10) Provided that existing statutory limitations on the disclosure of certain VA quality-assurance records do not apply to statistical information regarding VA health-care programs, including aggregate morbidity and mortality rates associated with specific activities at individual VA health-care facilities if the information does not explicitly or implicitly identify any VA patient or employee or individual involved with VA quality-assurance efforts.

(11) Increased from 15 to 25 the number of centers of geriatric research, education and clinical activities which the VA is authorized to provide.

(12) Authorized the VA to make temporary full-time appointments of nurses for more than one year and authorized the reappointment for one year of student nurses who are pursuing a full course of nursing education.

(13) (a) Required the VA to establish a comprehensive quality-assurance program to monitor the quality of VA health care and to provide sufficient resources to carry out such a program; required the VA's Chief Medical Director, as part of this program, to determine national mortality and morbidity standards for each type of surgical procedure carried out by the VA, collect mortality and morbidity data for each VA cardiac surgery, heart transplant, and renal transplant program and aggregate data for all other surgical procedures and compile such data in certain prescribed ways, compare the rates with the national standards, analyze any deviation between the VA rates and the national standards, and submit to the Administrator on January 1, 1987, 1989, and 1991, reports on the quality-assurance program; required the Administrator to submit the Chief Medical Director's reports to the Congress; and required the VA's Inspector General to allocate sufficient resources to monitoring the quality-assurance program.

(b) Required the VA to submit a report, within 90 days, which describes the VA's current and future plans (including credentialing information exhanges) for monitoring the credentials of certain VA health-care professionals and report every three months until the VA has achieved the implementation of each policy, procedure, and arrangement for these exchanges.

(14) Required the VA to defer approval of a grant for a State Veterans' Home project that has been provided a notice of approval for funding if, by July 1, following such notice of approval, the State financial support has not been provided.

(15) Required the VA to prescribe regulations, by April 1, 1986, on uniform guidelines for the handling of cases involving the proposed reduction or revocation of clinical privileges of VA health-professional employees.

(16) Modified the Committee approval process for the approval of VA medical facility construction projects to provide for the Committees to adopt construction resolutions with identical texts. Subsequent to that adoption, appropriations could not be made except in strict compliance with the resolutions' text.

(17) Required the VA to submit annually to the Congress a 5-year strategic operational plan for the operation and construction of VA medical facilities.

(18) Required the VA to submit to the Committees, as part of the prospectus for a new or replacement facility, a description of the consideration given to leasing and purchasing an existing facility.

(19) Required the VA to contract for the development of a modular approach to the planning and design of VA hospitals.

(20) Required the VA to submit a report to the Congress prior to implementing any systematic reduction in the pay grades of certain VA employees who provide direct patient care services.

(21) Required the transfer to the VA, without compensation, of 3.4 acres of land in Phoenix, Arizona.

(22) Authorized the VA to remove a limitation on the land previously conveyed to the city of McKinney, Texas.

(23) Modified the restrictions on the use of land previously conveyed to the Utah State Armory Board.

C. SECOND SESSION

As previously noted, legislation was enacted on October 28, 1986 as the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986 (Public Law 99-576).

As enacted, Public Law 99-576 contained provisions affecting the VA's health-care programs which:

(1) Authorized the VA to conduct a 3 year program to furnish respite care services to certain chronically ill veterans who are residing primarily at home and who are otherwise eligible for VA hospital, nursing home or domiciliary care and required the VA to report, by February 1, 1989, to the Committees on the implementation of this authority.

(2) Authorized the VA to furnish home health services in any setting in which the eligible veteran resides.

(3) Authorized the VA to furnish bereavement counseling, for a limited time, to certain family members of certain deceased veterans.

(4) Extended the transition period during which time the readjustment counseling program is offered primarily through storefront centers to one which is offered in VA medical centers from 12 to 24 months ending on September 30, 1989; required that such transition be gradual; and modified certain reporting requirements relevant to this program.

(5) Extended for 3 years, through fiscal year 1989, the VA's authority to contract for the care of U.S. veterans in the Philippines and the authority to make grants up to $500,000 for the Veterans' Memorial Medical Center in Manila; and required

the VA to submit a report, on February 1 of 1987, 1988 and 1989, on the expenditures of the grant funds.

(6) Authorized the VA to enter into agreements with State and local governments pursuant to which the VA may enforce, through State courts, state and local traffic law violations occurring on VA property.

(7) Made permanent the VA's Regional Medical Education Centers.

(8) Modified the method of calculating the period of obligated service required by part-time student participants in the VA's Health Professional Scholarship program.

(9) Authorized the VA to waive the licensure requirement for certain VA research psychologists.

(10) Required the VA to report to the Congress, within 90 days, on its plans to establish and maintain a National Drug File.

(11) Required the VA to pay an appropriate stipend to each individual participating in the study of Vietnam veterans' post-war psychological problems.

(12) Required the VA to consider VA-DOD health-care resources sharing before initiating any major VA construction project and to include, in any prospectus proposing the

construction of a new or replacement medical facility, a description of the consideration given to sharing.

(13) Required that, before submitting the VA's report on VA medical facility construction, the Administrator shall consider the analysis and recommendations of the Chief Medical Director.

(14) Required the VA to establish, collect, and deposit in a revolving fund reasonable fees for parking at all VA medical facilities at which parking structures are constructed, acquired, or altered with funds from the parking revolving fund, at a cost of more that $500,000 (or $100,000 per year if acquired by lease); fee parking would be required for employees, visitors, and all other individuals, except veterans or eligible persons seeking treatment, volunteers, and certain VA employees covered by an existing collective bargaining agreement that provides for free parking; required generally that projects for future construction alteration, or acquisition of parking facilities at VA medical facilities be funded from the revolving fund.

(15) Extended by 3 years, through fiscal year 1989, the VA's authority to appropriate funds for State Veterans' Home construction projects; removed the restriction that a State may receive no more that one-third of the amount appropriated for grants in one fiscal year; eliminated the basis for the VA's interpretation that current law requires grants to be awarded in order of the date on which applications are received, and

required regulations setting forth certain priorities according to which grant funds would be provided.

(16) Repealed or modified certain reports required to be submitted by the VA to the Congress or the President.

(17) Required the VA to establish and maintain an Ionizing Radiation Registry to contain medical, service-connected disability claim and dose estimate information concerning certain veterans who were exposed to ionizing radiation during military service.

(18) Required non-Federal hospitals which receive Medicare payments to accept as payment for VA fee-basis patients amounts to be determined, in joint regulations, by the Secretary of Health and Human Services and Administrator of Veterans' Affairs.

(19) Prohibited the VA from taking any action, before January 1, 1988, to declare as excess certain specified land located at 2 VA medical centers in California.

(20) Required the VA to report to Congress, by December 15, 1987, on the implementation of the VA's existing contract care authorities and the VA's expanded home health services authority to provide care for eligible chronically mentally ill veterans.

(21) Named the VAMC in Phoenix, Arizona, as the "Carl T. Hayden Veterans' Administration Medical Center".

Finally, H.R. 5484, as passed by the Senate and House on October 17, 1986, and enacted on October 27, 1986, as Public Law 99-570, the Anti-Drug Abuse Act of 1986, authorized $10.8 million to provide outpatient treatment, rehabilitation, and counseling and contract care in community-based halfway houses and other facilities for veterans with alcohol and drug disabilities.

VI. AGENT ORANGE AND RADIATION EXPOSURE

A. OVERVIEW

The matter of the possible long-term, adverse health effects of veterans' exposure in Vietnam to dioxin, produced during the manufacture of the defoliant known as Agent Orange and widely used by U.S. forces in Vietnam, is of great concern to Vietnam veterans, their families, the public, and the Congress. The Committee has been concerned about the progress and methodological difficulties surrounding the major epidemiological study on the health effects of Agent Orange on Vietnam veterans being conducted by the Centers for Disease Control pursuant to Public Law 96-151. Certain difficulties associated with estimating exposure level of the study subjects have been resolved, and at this time, the study is proceeding on course.

Beginning in 1945 and continuing until 1963 the United States exploded some 235 nuclear weapons in atmospheric tests. As a result, approximately 250,000 test participants may have been exposed to ionizing radiation. The Committee continued its efforts to investigate matters concerning any possible adverse health effects of such exposure as well as exposure by veterans to radiation during the American occupation of Hiroshima or Nagasaki, Japan.

During the 99th Congress, the Committee held 3 days of hearings that included investigations of these issues.

B. FIRST SESSION

During the first session of the 99th Congress, the Committee held 2 days of hearings on November 14 and December 11, 1985, to consider issues relating to veterans' exposure to ionizing radiation from the detonation of nuclear devices in Hiroshima or Nagasaki or during atmospheric tests conducted by the United States. Testimony was received from representatives of the Department of Energy, the Defense Nuclear Agency, the General Accounting Office, the Veterans' Administration, various veterans' service organizations and participants of the U.S. atomic weapons testing programs.

As previously noted, the Committee reported on July 8, 1985, legislation subsequently enacted, on December 3, 1985, as the Veterans' Administration Health-Care Amendments of 1985 (Public Law 99-166).

Included in Public Law 99-166, is a provision which:

(1) Extended through fiscal year 1989, the period of time which those veterans' exposed to ionizing radiation from a nuclear detonation or toxic substances in Vietnam would be eligible to receive priority health-care services for disabilities not determined to be unrelated to such exposure.

C. SECOND SESSION

In addition, S. 2454, a bill to repeal section 1631 of the Department of Defense Authorization Act, 1985, relating to certain veterans' access to the judicial system was introduced on May 15, 1986. On October 2, 1986, the Judiciary Committee voted to favorably report S. 2454 to the Senate. No further action was taken.

On May 20, 1986, the Committee held a hearing on various legislative matters. At that time, the Committee received testimony on a provision contained in S. 2445, to require the VA to establish and maintain an Ionizing Radiation Registry. This provision was incorporated into S. 2422 as passed by the Senate on September 30, 1986.

As previously noted, legislation was subsequently enacted, on October 28, 1986, as the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986, Public Law 99-576.

Included in Public Law 99-576, is a provision which:

(1) Required the VA to establish and maintain an Ionizing Radiation Registry which would contain medical, claims and radiation dose estimate information on veterans' who were exposed to ionizing radiation during participation of U.S. atomic weapons testing or during the American occupation of Hiroshima or Nagasaki, Japan, after World War II.

VII. EDUCATIONAL BENEFITS

A. OVERVIEW

Readjustment benefits under the GI bill consist of various types of educational assistance for eligible veterans, dependents, and survivors. The main purposes of such assistance are to help the veteran readjust to civilian life in a productive capacity, to compensate for the loss of educational or vocational opportunities during the veteran's period of service to the Nation, and to provide vocational rehabilitation opportunities to those whose ability to obtain employment has been impaired as a result of service-connected disability. In addition GI bill benefits have served as a recruiting incentive for the Armed Forces.

Educational assistance is also provided by the VA to the dependents of veterans with permanent and total disabilities and to the survivors of those whose deaths are service connected. Such assistance to these survivors and dependents is intended to compensate for the service-connected impairment of the veteran's ability to bear the cost of education of his or her family members and, in the case of the veteran's death, to assist the surviving spouse in attaining economic self-sufficiency.

Vocational rehabilitation opportunities are provided to service-connected disabled veterans under chapter 31 of title

38, United States Code. Under chapter 34 of title 38, educational assistance is provided to eligible Vietnam-era veterans and to servicemembers who served after February 1, 1955 and before January 1, 1977, and are otherwise eligible, in order to assist them in their readjustment to civilian life following military service. Survivors and dependents of veterans whose deaths or permanent and total disabilities are service connected are eligible for education assistance under chapter 35. Under chapter 32, post-Vietnam-era veterans, (those entering the service after December 31, 1976, and otherwise eligible) may participate in an educational assistance program wherein participants contribute from $25 to $100 of their military pay. These contributions are then matched by the Department of Defense on a two-for-one basis when the veteran enrolls in an approved course of education.

Individuals entering the service after June 30, 1985, and before July 1, 1988, are eligible to participate in the education program provided by chapter 30, commonly referred to as "The New GI Bill". For the first twelve months of service, participants are paid $100 a month less than non participants. When enrolled in an approved program of education, participants will receive a basic educational assistance allowance of $300 or $250 per month (depending on length of service) for 36 months. In certain cases the monthly rate may be increased by supplemental educational assistance.

Of the 450,867 participants in all VA educational assistance programs during fiscal year 1986, 307,637 were veterans and servicemembers receiving benefits under chapter 34; 54,233 were spouses, surviving spouses, sons and daughters receiving benefits under chapter 35; approximately 25,776 were veterans enrolled in vocational rehabilitation programs under chapter 31; and 63,221 were post-Vietnam veterans participating in training under chapter 32 in fiscal year 1986.

B. FIRST SESSION

S. 2422, which was reported by the Committee on September 16, 1986 and passed by the Senate on September 30, 1986, as discussed above, included provisions concerning VA education benefit programs.

On April 18, 1985, the Committee voted to report H.R. 752, with an amendment in the nature of a substitute. On June 27, 1985, H.R. 752 was reported to the Senate. On July 25, 1985, the Armed Services Committee ordered H.R. 752 reported unfavorably. It was reported unfavorably to the Senate on August 1, 1985. No further action has been taken.

In addition, on October 3, 1985, the Committee held a hearing on, among other things, VA education programs. Testimony was received from representatives of the VA and veterans' service organizations. On October 31, 1985, the Committee met in open session and voted unanimously to order reported to the Senate an original Committee Print, S. 1887 (S. Rept. 99-200). This measure was passed by the Senate on December 2, 1985.

C. SECOND SESSION

As previously noted, legislation was enacted on October 28, 1986, as the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986 (Public Law 99-576).

With respect to the VA's education programs, Public Law 99-576 includes provisions derived from S. 1887 and S. 2422 which:

(1) Authorized individuals training under chapter 30 of title 38 to pursue a program of apprenticeship or other on-job training or to pursue a program of education through home study.

(2) Included the New GI Bill in the agenda of the VA's Education Advisory Committee.

(3) Clarified that the difference in pay rate between participants and non-participants in the New GI Bill is not taxable income for participants.

(4) Prohibited dual receipt of educational benefits under the New GI Bill and the Hostage Relief Act of 1980.

(5) Provided that, in cases of individuals who are eligible for educational assistance under both chapter 34, the Vietnam Era GI Bill, and the New GI Bill and who had left the service after December 31, 1976, and reentered prior to the enactment of the New GI Bill on October 19, 1984, the delimiting period for use of the combined form of chapter 30/chapter 34

benefits would be reduced by the amount of time they had been out of the service; and made certain technical amendments to chapter 30.

(6) Allowed veterans training under chapter 30, the New GI Bill, or chapter 32, the Post-Vietnam Era Veterans' Educational Assistance Program (VEAP), to participate in the VA work study program.

(7) Terminated new enrollments in the Post-Vietnam Era Veterans' Educational Assistance Program (VEAP).

(8) Provided for payment of benefits under chapter 32 for pursuit of apprenticeship or other on-job training program.

(9) Provided for the extension of the basic 10-year delimiting period of a veteran who has been prevented from initiating or completing a program of education under VEAP because of a physical or mental disability, not resulting from the veteran's own misconduct, by the amount of time the disability prevented pursuit of a program of education.

(10) Required veterans rated incompetent by the VA to be provided with educational and vocational counseling prior to their selection of a program of education or training under chapter 30, 32, and 34.

(11) Authorized a spouse who is training under chapter 35, Survivors' and Dependents' Educational Assistance, to elect,

subject to the VA's approval, a date for beginning the 10-year period of eligibility, earlier than the date on which the VA makes the eligibility determination, but not earlier than the date of the event creating the spouse's eligibility.

(12) Removed the requirement under chapter 35 that an educational plan be submitted by a parent or guardian, on behalf of a child, before benefits are awarded.

(13) Permitted certain non-college-degree courses to be measured in the same manner as courses that are part of programs leading to a standard college degree, for the purposes of determining a student's rate of pursuit for determining the amount of payment of VA educational assistance.

(14) Required that payment of educational assistance allowances for less-than-half-time training be made not later than the end of the month following the month in which an enrollment certification is received by the VA.

(15) Prohibited concurrent receipt of benefits for different programs of education pursued under two or more VA-administered education assistance programs.

(16) Permitted educational institutions to delay until the end of the term, quarter, or semester submitting the certification of the enrollment of eligible VA students in the case of independent study pursued on a less-than-half-time

basis, when there is no feasible means for the institution to monitor changes in or termination of enrollments.

(17) Prohibited implementation of any requirement that an educational institution certify the enrollment of VA students every term or semester for purposes of receipt of educational assistance administered by the VA.

(18) Established a Commission on Veterans' Education Policy to study and report on issues relating to the administration of VA education assistance programs.

VIII. EMPLOYMENT

A. OVERVIEW

The Department of Labor has primary responsibility for the implementation of statutory provisions[1] in regard to veterans' employment. Section 2002 of chapter 41, of title 38, Job Counseling, Training, and Placement Service for Veterans, states congressional intent with respect to veterans' employment programs operated through the Department of Labor's Veterans' Employment Service as follows: "The Congress declares as its intent that there shall be an effective (1) job and job training counseling program, (2) employment placement service program, and (3) job training placement service program for eligible veterans and eligible persons". Chapter 42 of title 38 provides for the employment and training of disabled and Vietnam-era veterans. Specifically, section 2012 requires certain Federal contractors, and certain of their subcontractors, to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era. Section 2014 provides for Veterans Readjustment Appointments (VRA's) within the Federal Government. The purpose of the VRA authority is to assist certain disabled and educationally disadvantaged Vietnam-era veterans by making it possible for them to be hired noncompetitively up to a certain grade level (GS-9 or its equivalent). After 2 years of successful performance, the veteran's civil service status is converted to career conditional. Chapter 43 of title 38 provides re-employment protection to certain veterans.

The Office of Personnel Management has responsibility to implement the policy of the United States to promote the maximum of employment and job advancement opportunities within the Federal Government for qualified disabled veterans and veterans of the Vietnam era.

B. FIRST SESSION

The Committee held a hearing on September 12, 1985, to receive testimony on veterans' employment issues. Testimony was received from Senator John Kerry, the Veterans' Administration, the Department of Labor, Management Insights Inc., and various veterans' service organizations. The Committee also held a hearing on November 9, 1985, in Anchorage, Alaska, to receive testimony on issues pertaining to veterans' employment. Representatives of the VA, Department of Labor, the Alaska Job Training Coordinating Council, the Governors' Council on Vocational and Career Education, the Tanana Valley Community College, the Alaska Department of Labor, the Alaska Department of Military and Veterans Affairs, and veterans' service organizations testified during that hearing. The Committee examined closely the veterans' employment situation in Alaska, including those programs designed to assist veterans in obtaining gainful employment, and subsequently took several legislative steps in that regard.

Public Law 99-108, signed on September 30, 1985, included a provision to extend the "Emergency Veterans' Job Training Act" (EVJTA) to July 1, 1986.

On November 23, 1985 the Committee reported S. 1887 with a Committee amendment to change the title of the EVJTA program to the "Veterans' Job Training Act" (VJTA); to extend the program to July 31, 1987; to change the eligibility requirements for participation in the program; and to authorize $55 million in additional funding for FY 1986. The Committee amendment also included a provision requiring the Department of Labor to study the feasibility and advisability of establishing a job training program under title IV-C of the Job Training Partnership Act (JTPA), to be triggered upon the veterans unemployment rate reaching a certain level. S. 1887, as amended, was passed by the Senate on December 2, 1985. No further action on S. 1887 was taken during the first session.

On January 13, 1986, H.R. 1538, as amended by the Senate, was enacted as Public Law 99-238. Several provisions relating to the EVJTA program were incorporated including a change in the title of the program, a revision in eligibility requirements, an extension of the program to July 31, 1987, and an authorization for $65 million in additional funding.

C. SECOND SESSION

On May 20, 1986, the Committee held a hearing to consider various legislation relating to veterans' benefits and health-care programs including S. 2304, a bill to extend for three years the expiration date of the Veterans Readjustment Appointments authority.

As previously noted, the Committee reported on September 16, 1986, legislation subsequently enacted, on October 28, 1986, as the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986 (Public Law 99-576).

With respect to veterans' employment programs, Public Law 99-576:

(1) Extended the authority for Veterans Readjustment Appointments for 3 fiscal years (through September 30, 1989).

(2) Provided that members of the National Guard and Reserves who are seeking employment may not be discriminated against on the basis of their status with the Guard or Reserve.

IX. CLAIMS ADJUDICATION & JUDICIAL REVIEW

A. OVERVIEW

Under current law, a decision of the Administrator on a claim for benefits is final and generally cannot be reviewed by a court. Some courts have permitted review in cases in which constitutional issues have been raised or a question has been raised as to whether the decision represents action beyond the scope of the Administrator's statutory authority. The preclusion of judicial review, together with a statutory limit of $10 on the amount an attorney may receive for representing an individual with a claim for benefits before the VA, combine to leave the VA unique among major Federal agencies in the manner in which it administers benefits. In addition, the Administrative Procedure Act (APA) provisions relating to agency rulemaking do not presently require VA compliance with APA rulemaking procedures of notice and comment.

B. FIRST SESSION

During the first session of the 99th Congress, the Committee met in open session on June 12, 1985, to consider S. 367, a bill to, among other things, provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs and to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the VA. The Committee voted to report favorably, without amendment, S. 367 (S. Rept. 99-100). On July 30, 1985, the Senate passed S. 367 by voice vote. In the House, the bill was referred to the Veterans' Affairs Committee on July 31, 1985.

C. SECOND SESSION

The House Committee on Veterans' Affairs held four days of hearings on similar judicial review legislation, H.R. 585, on May 20, June 4, 24, and 25, 1986. On July 16, 1986, the Committee voted to table, by a 20-12 vote, a substitute amendment offered by Mr. Edwards to H.R. 585, which was before the Committee.

X. HOUSING AND HOME LOAN GUARANTY PROGRAM

A. OVERVIEW

The VA Home Loan Guaranty Program is designed to encourage and facilitate extension of favorable credit terms by private lenders to veterans for the purchase, construction, or improvement of homes to be occupied by veterans and their families. The program operates by substituting the Federal Government's guaranty to lenders against financial loss on loans to veterans for the investment protection afforded under conventional mortgage terms by substantial downpayments and relatively shorter loan terms. Eligible veterans are thus able to finance home purchases even though they may not have the resources to qualify for conventional loans.

Under current law, the VA will provide a guaranty of 60 percent of the principal value of the loan, however, a claim paid in the event of an insoluble default may not exceed $27,500. The VA also has the option of taking title to a property securing a VA-guaranteed loan which has been foreclosed if such action will result in a lesser loss to the Federal Government than would be the case if the guaranty claim were paid.

B. FIRST SESSION

On May 1, 1985, the Committee held an oversight hearing on issues relating to the VA's home loan guaranty program. Testimony was received from representatives of the Veterans' Administration, Mortgage Insurance Companies of America, Mortgage Bankers Association, National Association of Realtors, National Association of Home Builders, and veterans' service organizations.

As previously noted, S. 1887, as passed by the Senate on December 2, 1985, contained provisions relating to the VA's home loan guaranty program. No further action was taken on the measure during the first session.

C. SECOND SESSION

Legislation, which has been previously described, was enacted on October 28, 1986, as the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986 (Public Law 99-576.

As enacted, Public Law 99-576, contained provisions affecting the VA's home loan guaranty program which:

(1) Provided that specially adaptive housing grants be granted to certain disabled veterans for the acquisition of a residence which has already been adapted to the individuals' needs.

(2) Required the VA to prescribe regulations establishing credit underwriting standards to include debt-to-income ratios.

(3) Required the VA to identify factors which contribute to defaults on VA-guaranteed loans.

(4) Required the Secretary of the Treasury to transfer from the Direct Loan Revolving Fund to the Loan Guaranty Revolving Fund such amounts as the VA determines necessary.

(5) Authorized the VA to contract for the services of fee-basis attorneys to exercise the right of the federal government to bring suit to foreclose a VA-guaranteed loan and/or to recover possession of any property acquired by the VA.

(6) Required the VA to prescribe uniform qualifications to be met by appraisers performing appraisals for the VA.

(7) Required the VA to furnish real estate brokers available information of property for disposition and the procedures used by the VA to dispose of such property.

(8) Expressed the sense of the Senate that the 1-percent loan origination fee not be increased.

As a result of the FY 1986 sequestration order, the Loan Guaranty Revolving Fund (LGRF) experienced a shortfall in the credit extension authority necessary to continue to provide guaranties throughout the fiscal year. The Committee acted on two bills to increase the baseline figure from which the FY 1986 sequestration would be taken. On February 24, 1986, the Committee ordered reported with an amendment S. 2052 (S. Rept. 99-238). On February 25, 1986, the Senate concurred in the House amendments to H.R. 4130. As enacted on March 7, 1986, Public Law 99-255 increased the baseline figure to $18,200,000,000.

On May 6, 1986, the Senate passed S. 2416, to further increase the baseline figure from which the FY 1986 sequestration would be taken. On May 21, 1986, the House passed similar legislation and the Senate agreed to the House amendments. As enacted on May 23, 1986, Public Law 99-322 increased the baseline figure to $40,000,000,000.

XI. INSURANCE

A. OVERVIEW

Eight separate programs have been established to meet the needs of the Nation's servicemembers and veterans for life insurance protection. The VA directly administers five of these programs and supervises three other programs that are administered by commercial insurance companies under contract. The programs are as follows:

Programs administered by the VA:

(1) U.S. Government Life Insurance (USGLI), for veterans of service during World War I;

(2) National Service Life Insurance (NSLI), for veterans of service during World War II;

(3) Veterans Special Life Insurance (VSLI), for veterans of service during the Korean Conflict;

(4) Service-Disabled Veterans' Insurance (S-DVI), for service-connected disabled veterans; and

(5) Veterans Reopened Insurance (VRI), for certain disabled WWII and Korean Conflict veterans who reapplied for insurance in 1965-66 under a reopened insurance program.

Programs supervised by the VA:

(1) Servicemen's Group Life Insurance (SGLI), for active duty servicemembers and certain reservists;

(2) Veterans' Group Life Insurance (VGLI), for conversion of SGLI to a five-year nonrenewable term policy for individuals following separation or release from service and for certain reservists; and

(3) Veterans' Mortgage Life Insurance (VMLI), for certain severely disabled veterans who receive specially adapted housing grants.

With the exception of extra hazard costs which are financed through direct appropriations to the veterans insurance and indemnities account and administrative costs which are generally covered by VA's general operating expenses account, most of the insurance programs are self-supporting through premium receipts and interest income on investments. The S-DVI and VMLI programs are not self-supporting and require periodic appropriations.

B. FIRST SESSION

As previously noted, on July 30, 1985, the Senate passed H.R. 505, as an amendment in the nature of a substitute, as reported and as amended by unprinted amendment 537. Subsequently, on December 3, 1985, the Veterans' Administration Health-Care Amendments of 1985, was enacted as Public Law 99-166.

With respect to VA insurance programs, Public Law 99-166:

(1) increased from $35,000 to $50,000, the maximum amount of coverage available under the Servicemen's Group Life Insurance/Veterans Group Life Insurance programs, and made VGLI coverage available to members of the Individual Ready Reserve and the Inactive National Guard, effective January 1, 1986.

On December 18, 1985, the House and the Senate passed as a substitute amendment to H.R. 3974 a change in the effective date of the increased maximum SGLI coverage enacted in Public Law 99-166. The effective date was revised to benefit the beneficiaries of insured servicemembers who died after December 11, 1985, so as to provided eligibility for the increased maximum insurance to those insured servicemembers killed in the Gander aircrash. This amendment was enacted as Public Law 99-227 on December 28, 1985.

XII. BURIAL BENEFITS

A. OVERVIEW

The burial benefits program provides the following: the payment of an allowance of $300 (plus transportation charges when death occurs under VA care) to help defray the burial and funeral expenses of an eligible deceased veteran who died while being treated in a VA facility or was eligible for disability compensation or pension at the time of death; the payment of an allowance of $150 for a burial plot in cases where an eligible veteran is not buried in a national cemetery or other cemetery under the jurisdiction of the United States; the payment of a burial allowance of up to $1,100 when a veteran dies as a result of a service-connected disability; a flag or drape over the casket of each eligible deceased veteran; a headstone or marker for the grave of a veteran and of certain eligible dependents, or a cost allowance toward the purchase thereof.

B. FIRST SESSION

S. 1887, reported on November 26, 1985, and passed by the Senate on December 2, 1985, as discussed above, included provisions concerning burial benefits.

C. SECOND SESSION

On June 26, 1986, the Committee met in open session to consider H.R. 4345, a bill to authorize the Administrator of Veterans' Affairs to establish a national cemetery in or near Cleveland, Ohio.

The Committee voted unanimously to report H.R. 4345, with an amendment in the nature of a substitute (S. Rept 99-439). On September 20, 1986, the Senate passed H.R. 4345 as reported by the Committee. Provisions derived from S. 1887 and H.R. 4345 were incorporated into H.R. 5299, the Veterans' Benefits Improvement and Health Care Authorization Act of 1986 (Public Law 99-576).

With respect to burial benefits, Public Law 99-576:

1. Required most national cemeteries to have upright grave markers for internments which occur after January 1, 1987.

2. Required the VA to report on cemetery management plans and needs.

3. Allowed memorial markers to be placed in Arlington National Cemetery in certain cases in which no body is available for burial.

4. Made clear that the VA's existing authority to establish new cemeteries would allow cemeteries in 10 specified locations.

XIII. COST-SAVINGS LEGISLATION

A. OVERVIEW

The President's budget request for FY 1986 which was submitted to the Congress in February 1985, contained cost saving legislative proposals including a means test for non-service-connected veterans and reimbursement from health insurers for the cost of health care furnished by the VA. The President's budget request assumed certain savings would be achieved through the enactment of the aforementioned legislation.

Senate Concurrent Resolution 32, the first Concurrent Resolution on the Budget for Fiscal Year 1986, contained provisions which required the Veterans' Affairs Committees of the Senate and House of Representatives to report legislation which would achieve a specified amount of savings for fiscal years 1986-1988. Specifically, the reconciliation instructions contained in section 2(1) of S. Con. Res. 32, required that the Committees report changes in law to reduce budget authority and outlays for veterans' programs by $300 million in FY 86, by $400 million in FY 1987, and by $450 million in FY 1988.

B. FIRST SESSION

On February 20, 1985, the Committee held a hearing on the fiscal year 1986 VA budget. At that time, the Committee received testimony on certain proposals which were included in the President's request. On June 20, 1985, the Committee again held a hearing to consider certain cost-savings legislation. Testimony was received from the VA, Congressional Budget Office, General Accounting Office, and representatives of private health insurers. On September 26, 1985, the Committee met in open session and, voted by a 9 to 3 vote, to favorably recommend and submit to the Senate Budget Committee proposed reconciliation legislation pursuant to the Committee's reconciliation instructions contained in S. Con. Res. 32. On September 27, 1985, the Committee transmitted its proposed reconciliation legislation to the Senate Budget Committee.

This legislation was passed as part of the Consolidated Omnibus Reconciliation Act of 1985 by the Senate on November 14, 1985, as an amendment in the nature of a substitute to H.R. 3128.

Provisions from that legislation were ultimately enacted as title XIX of the Consolidated Omnibus Budget Reconciliation Act of 1985, as passed by the Senate on March 18, 1986, and the House on March 20, 1986. This legislation was enacted on April 7, 1986, as the Consolidated Omnibus Budget Reconciliation Act of 1985 (Public Law 99-272).

With respect to veterans' benefits and programs, the major provisions of Public Law 99-272:

(1) Revised eligibility categories for health care furnished by the VA and established health-care income eligibility criteria for certain non-service-connected veterans.

(2) Authorized the United States to recover from health care insurers certain reasonable costs of care and services furnished through VA facilities or non-VA facilities at VA expense for veterans who do not have a service-connected disability and who are covered under a health insurance contract.

(3) Required the VA to provide for the conduct of a health-experience study of long-term gender specific health effects in female Vietnam veterans.

(4) Provided for the establishment of an "Advisory Committee on Native-American Veterans" to examine and evaluate VA programs with respect to native American veterans.

XIV. GRAMM-RUDMAN-HOLLINGS EXEMPTIONS

A. OVERVIEW

Public Law 99-177, the Balanced Budget and Emergency Deficit Control Act of 1985 (commonly referred to as "Gramm-Rudman-Hollings"), established emergency procedures to reduce the federal deficit to zero by fiscal year 1991. That law specifies maximum permissible deficits at successively lower levels for each of fiscal years 1986 through 1990 and a fiscal year 1991 maximum of zero.

In any fiscal year in which the estimated deficit exceeds the maximum deficit amount by more than $10 billion, reductions sufficient to eliminate the entire "excess deficit" are generally required to be made across-the-board in resources for federal programs. The reductions are made through a sequestration process. Under a Presidential sequestration order, half of the reductions in outlays necessary to eliminate the excess deficit must come from non-defense programs, generally through the sequestration (cancellation) of various budgetary resources--including budget authority, entitlement spending authority, and credit authority--by a uniform percentage in each non-defense budget account. The other half must come from the application of sequestration to defense accounts.

On the non-defense side, the law exempts certain accounts from sequestration and provides limitations on, and special rules for, the sequestration of certain other accounts. Thus, for example, section 255(b) of the Act provides general exemptions from any sequestration order for the veterans' compensation and pension programs.

The Act did not provide exemptions for other VA entitlement programs for which eligibility is based upon a veteran's service-connected disability or death, although it did establish special protection for certain VA medical care account expenditures, i.e., it limited reductions in non-administrative costs under that account to 1 percent in FY 1986 and 2 percent in each of fiscal years 1987 through 1991.

On January 15, 1986, the Office of Management and Budget and the Congressional Budget Office issued a joint sequestration report for fiscal year 1986 to the Comptroller General of the United States in accordance with the provisions of Public Law 99-177. They recommended a 4.3-percent reduction for all VA accounts which were not exempted nor subjected to a special rule. The Comptroller General's January 21, 1986, Report to the President and the Congress on Budget Reductions for FY 1986 made no change to the joint report for veterans' programs. On July 17, 1986, the Congress passed a joint resolution which ratified and affirmed the January 15, 1986, report of the Directors of the Office of Management and Budget and the Congressional Budget Office, which was enacted into law on July 31, 1986, without any change to the joint report for veterans' programs.

B. FIRST SESSION

During the First Session, on December 12, 1985, the Balanced Budget and Emergency Deficit Control Act of 1985, was enacted as Public Law 99-177.

As enacted, Public Law 99-177 contained provisions affecting certain VA benefits, programs and services which:

(1) Exempted from reduction under any sequestration order veterans' compensation and pension programs and prior legal obligations of the Government for the VA loan guaranty revolving fund and seven VA life insurance funds or accounts.

(2) Established a limit on sequestration reductions in the VA medical care account to 1 percent in fiscal year 1986 and 2 percent in fiscal years 1987 through 1991.

C. SECOND SESSION

On February 3, 1986, the Sequestration Order for fiscal year 1986 was issued by message of the President to become effective on March 1, 1986. Under the sequestration order, the following amounts for VA benefit programs were sequestered:

[In Millions]

Vocational Rehabilitation........................	$4.4
Specially Adapted Housing Grants................	.6

Mortgage protection life insurance.............	.2
Automobiles and adaptive equipment..............	.5
Service-connected burial benefits...............	.4

The Committee held a hearing on May 20, 1986, to receive testimony on certain VA-benefits-related and health-care related bills. Relative to the Gramm-Rudman-Hollings legislation, the Committee received testimony on S. 2423, and the subject matter of S. 2186 and S. 2187. Testimony on the aforementioned bills was received from representatives of veterans' service organizations. VA comments on all three bills were received on June 12, 1986, as requested by the Committee.

On June 26, 1986, the Committee met in open session and by voice vote ordered to be reported favorably to the Senate an original "Committee Print" incorporating provisions derived from S. 2186, S. 2187, and S. 2423 to exempt certain VA benefits, programs, and revolving funds from sequestration pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985.

On September 27, 1986, the Committee reported the original "Committee Print", S. 2885, to the Senate (S. Rept. 99-494). The Senate took no action on S. 2885, as reported by the Committee.

As previously noted, the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986, was enacted on October 28, 1986, (Public Law 99-576).

As enacted, Public Law 99-576 contained provisions which exempted from sequestration or reduction under part C of the Balanced Budget and Emergency Deficit Control Act of 1985 or any other sequestration law, except as otherwise expressly provided by law, among other things, certain benefits based on service-connected disability or death so that the benefits provided to or on behalf of the veteran would not be reduced. Benefits, programs or accounts exempted from sequestration include:

(1) specially adapted housing benefits and mortgage protection life insurance for certain veterans with service-connected disabilities;

(2) burial benefits for veterans who die as a result of service-connected disability;

(3) automobile and adaptive-equipment benefits for certain disabled veterans;

(4) rehabilitation services and assistance for certain service-connected disabled veterans (exempted for fiscal year 1987 only);

(5) educational assistance for survivors and dependents of certain service-connected disabled veterans (exempted for fiscal year 1987 only);

(6) loans made on insurance policies issued under insurance programs administered by the VA; and

(7) the VA's Special Therapeutic and Rehabilitation Activities Fund and the VA's Canteen Service Revolving Fund.

Public Law 99-576 also required the Administrator of Veterans' Affairs, during any fiscal year in which the President issues a final sequestration order limiting the total amount of VA home loans that may be guaranteed during that year, to submit to the House and Senate Committees on Veterans' Affairs, monthly reports providing information on the VA's home loan guaranty program commitment activity to date and estimates of commitment activity for the remainder of the fiscal year.

XV. SERVICEMEN LISTED AS MISSING IN ACTION IN SOUTHEAST ASIA

In January 1986, Senator Frank H. Murkowski, Chairman of the Senate Committee on Veterans' Affairs, led a bipartisan House/Senate delegation to Southeast Asia to discuss with representatives of the governments of Vietnam and Laos the issue of those American servicemen still unaccounted for as a result of the Vietnam War. The Committee filed a report on the trip (S. Prt. 99-178).

Beginning on January 28, 1986, the Committee held a series of seven hearings on the issue of "live-sighting" reports of American servicemen still listed as missing in action in Southeast Asia. The purpose of the hearings was to provide a forum for individuals who believed they had information regarding the fate of men still missing. The Committee received testimony from numerous individuals. The Committee also received testimony from various representatives from the Executive Agencies responsible for investigating and tracking the POW/MIA issue.

Testimony was received from governmental officials and independent experts in the field of forensic anthropology regarding the methods utilized by the U.S. Army Central Identification Laboratory in identifying remains purported to be those of unaccounted for servicemen. The Committee has worked closely with the Department of the Army to see that suggested appropriate changes be made in the identification process.

As of this time the Committee has received no evidence or information which would allow it to draw a definitive conclusion as to the fate of those servicemen still unaccounted for. The Committee will continue to monitor closely the developments which relate to the POW/MIA issue.

ACCOMPLISHMENTS
OF THE
SENATE SELECT COMMITTEE ON INDIAN AFFAIRS
IN THE
99TH CONGRESS

In the 99th Congress, a total of 55 bills and two resolutions were referred to the Select Committee on Indian Affairs for consideration. A total of 21 bills were enacted into law, either through direct enactment as free standing law or through inclusion in other broader legislation such as the Anti-Drug Abuse Act of 1986. The Committee also considered the nomination of Ross O. Swimmer to be Assistant Secretary of Indian Affairs for the Department of the Interior and reported favorably on that nomination. In addition, the Committee received 34 Executive Communications for consideration dealing primarily with distribution of judgments awarded Indian tribes by the Indian Claims Commission or the U.S. Claims Court.

Three bills enacted as free standing legislation involved Indian education programs. Legislation was enacted authorizing the continued funding for Tribally Controlled Community Colleges through fiscal year 1990; technical amendments to title XI of the Indian Education Act regarding the establishment of academic standards for basic education of Indian children in schools operated or contracted by the Bureau of Indian Affairs, and for other purposes; and legislation amending provisions in Title 25 U.S.C., governing eligibility of Indian children for attendance at BIA operated schools to assure continuity with past administrative practices.

In the area of health, the Committee reported comprehensive legislation amending and reauthorizing the Indian Health Care Improvement Act to assure continued training of Indian health care professionals, funding of the Community Health Representative program and the urban Indian health care programs, achieve equality of funding of Indian health programs throughout the country, provide for Indian participation in the planning of health care programs, and for other purposes. In the development of these amendments, the Committee worked diligently with the Administration and many other interested parties to achieve a bill acceptable to all concerned. Separate legislation providing for control and treatment of diabetes was folded into this bill. This bill failed in the closing hours of the Congress and it will be necessary to re-introduce the bill in the next Congress.

Two legislative initiatives addressing health or alcohol and drug abuse were included in the Anti-Drug Abuse Act of 1986: a bill to coordinate and expand services for the prevention and treatment of alchohol and drug abuse among Indian youth; and, a bill to provide for a general study of Indian health needs in a broad variety of problem areas, including diabetes and alcohol and drug abuse.

A major activity of the Committee was consideration of three bills to establish Federal standards and regulation for the conduct of gaming activities on Indian reservations and trust lands. These gaming activities have proved to be an important means for raising revenues for operation of tribal governments and funding of social and economic development programs. However, there is concern regarding the unconstrained operation of such gaming. A bill was passed by the House in April of 1986, and was referred to the Select Committee. In September of 1986, the Select Committee reported an amended version of House bill but the bill was not acted upon prior to adjournment. This legislation will be before the Committee in the next Congress.

Legislation was enacted or considered addressing Indian land claims or claims to water in western states. Legislation was enacted to resolve outstanding claims to title to lands in the White Earth Indian Reservation in the State of Minnesota, the first such legislation to be enacted addressing claims arising from individually allotted lands. Legislation was also enacted providing for utilization of the land acquisition fund established for the Houlton Band of Maliseet Indians of Maine, thus, completing the legislative effort encompassed in the Maine Indian Claims Settlement of 1980. Two other land claims bills were considered by the Committee, a bill to resolve the claims of the Gay Head Wampanoag Tribe of Gay Head, Massachusetts, and legislation to address the claims of the Sioux Indians in the

Black Hills in South Dakota. The Gay Head bill was reported by the Committee, but failed in the closing hours of the Congress. The hearing on the Black Hills provided the first opportunity for the Sioux Indians to express their claims to Congress since the lands were taken in 1876.

Five water claims bills were before the Committee, three of which were reported out of Committee and two of which were enacted into law. The two enacted into law involved claims of the Papago Tribe in Arizona; the third involved a water settlement with five Bands of Mission Indians in California to waters in the San Luis Rey River. This bill passed the Senate but was not considered by the House. One other water claim, that of the Pyramid Lake Paiute in Nevada, received extensive consideration by the Committee along with the proposed California-Nevada Interstate Water Compact, but proved incapable of resolution in this Congress.

Five bills to provide for the use and distribution of judgment funds awarded Indian tribes by the Indian Calims Commission of the U.S. Claims Court were considered and four were enacted into law. One, a bill involving funds awarded the Saginaw Chippewa Tribe of Michigan, involved a major step forward in tribal use of such funds by providing for the establishment of an economic development fund for that tribe in an amount of approximately $10 million. It is hoped that enactment of this legislation will encourage other tribes to seek similar legislative or administrative solutions to use of their judgment funds.

In addition to the above legislative accomplishments, the Committee played an important role in development of legislation to address concerns regarding provision of housing on Indian on Indian reservations or trust lands, and legislation to clearly establish that triblly owned businesses qualify for programs under Section 8(a) of the Small Business Administration.

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